

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>In re</b>	§	
	§	<b>No. 23-32924</b>
<b>50 CROSBY PINES, LTD., <i>et al.</i><sup>1</sup></b>	§	<b>Chapter 11</b>
	§	<b>Jointly Administered</b>
<b>Debtors.</b>	§	

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**COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION,  
PROPOSED BY DEBTORS-IN-POSSESSION**  
January 11, 2024

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THIS COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION IS SUBMITTED TO ALL CREDITORS AND INTEREST HOLDERS OF THE DEBTORS, 50 CROSBY PINES, LTD., 48 HIGHLAND SHORES, LTD., 53 EAGLES COVE, LTD., 171 LONE STAG, LTD., 80 CROSBY TERRACE, LTD., 133 LONE WOLF, LTD., , AND 100 TENNESSEE TOWNSHIP, LTD., ENTITLED TO VOTE ON THE CHAPTER 11 PLAN OF REORGANIZATION SUBMITTED BY THE DEBTORS PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE. THIS COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION CONTAINS INFORMATION THAT MAY AFFECT YOUR DECISION TO VOTE TO ACCEPT OR REJECT THE PLAN. ALL CREDITORS AND INTEREST HOLDERS ARE URGED TO READ THE ENTIRE COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION CAREFULLY. YOU MAY WISH TO CONSULT AN ATTORNEY ABOUT YOUR RIGHTS AND YOUR TREATMENT UNDER THE PLAN.

THE COURT HAS CONDITIONALLY APPROVED THE DISCLOSURE STATEMENT AS CONTAINING ADEQUATE INFORMATION TO ENABLE PARTIES AFFECTED BY THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT ITS TERMS. THE COURT HAS NOT YET DETERMINED WHETHER THE PLAN MEETS THE LEGAL REQUIREMENTS FOR CONFIRMATION, AND THE FACT THAT THE COURT HAS APPROVED THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT OF THE PLAN BY THE COURT, OR A RECOMMENDATION THAT IT BE ACCEPTED.

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<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last 4 digits of their respective Employer Identification Numbers, are: (a) 50 Crosby Pines, Ltd. (No. 23-32924, EIN x2512); (b) 48 Highland Shores, Ltd. (No. 23-33843, EIN x4869); (c) 53 Eagles Cove, Ltd. (No. 23-33844, EIN x8026); (d) 171 Lone Stag, Ltd. (No. 23-33845, EIN x2240), (e) 80 Crosby Terrace, Ltd. (No. 23-35189, EIN x5879); (f) 133 Lone Wolf, Ltd. (No. 23-35190, EIN x7864); and (g) 100 Tennessee Township, Ltd. (No. 23-35192, EIN x8215).

**A CONFIRMATION HEARING FOR THIS COMBINED DISCLOSURE STATEMENT AND PLAN OF REORGANIZATION WILL BE HELD IN COURTROOM 402 AT THE UNITED STATES COURTHOUSE, 515 RUSK, 4<sup>TH</sup> FLOOR, HOUSTON, TEXAS 77002 ON \_\_\_\_\_, 2024 AT \_\_\_\_\_ .M. (CST).<sup>2</sup>**

**CREDITORS AND INTEREST HOLDERS ENTITLED TO VOTE ON THE PLAN ARE URGED TO VOTE IN FAVOR OF THIS PLAN OF REORGANIZATION AND TO RETURN THE COMPLETED BALLOT TO PENDERGRAFT & SIMON, LLP, 2777 ALLEN PARKWAY, SUITE 800, HOUSTON, TX 77019 NOT LATER THAN \_\_\_\_\_, \_\_\_\_\_, 2024.**

THIS PLAN INCORPORATES BY REFERENCE CERTAIN DOCUMENTS RELATING TO THE DEBTORS THAT ARE NOT PRESENTED HEREIN OR DELIVERED WITH THIS PLAN, INCLUDING, BUT NOT LIMITED TO, THE DEBTOR'S SCHEDULES, THE DEBTOR'S STATEMENT OF FINANCIAL AFFAIRS, AND THE DEBTOR'S MONTHLY OPERATING REPORTS. THESE AND ALL OTHER DOCUMENTS AND PLEADINGS FILED WITH THE COURT PERTAINING TO THIS CASE ARE AVAILABLE FROM THE CLERK OF THE COURT (515 RUSK, 5<sup>TH</sup> FLOOR, HOUSTON, TX 77002, TEL. [713-250-5500](tel:713-250-5500)). ELECTRONIC ACCESS TO THESE DOCUMENTS AND PLEADINGS IS AVAILABLE AT <https://ecf.txsb.uscourts.gov>. A PACER LOGIN WILL BE NECESSARY TO VIEW THE DOCUMENTS. IF YOU DO NOT HAVE A PACER LOGIN, YOU MAY REGISTER ONLINE AT <https://pacer.psc.uscourts.gov>.

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<sup>2</sup> Bankruptcy court hearings will be held on a hybrid basis (remote or in person). Please see the General Orders at <https://www.txs.uscourts.gov/bankruptcy/genord> for information regarding hybrid participation.

To participate electronically, parties must follow the instructions set forth on Judge Rodriguez's web page located at: <https://www.txs.uscourts.gov/content/united-states-bankruptcy-judge-eduardo-v-rodriguez>. Parties are additionally instructed to: (i) call in utilizing the dial-in-number for hearings before Judge Rodriguez at [832-917-1510](tel:832-917-1510), conference room number [999276](tel:999276) and (ii) log on to [GoToMeeting](https://gotomeeting.com) for video appearances and witness testimony, utilizing conference code: [JudgeRodriguez](https://gotomeeting.com/join/999276). Parties **MUST HAVE TWO SEPARATE DEVICES** to appear by video and telephonically. One device will be used to log on to GoToMeeting and the other will be used to call the telephonic conference line.

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# 1

## Background

### 1.1 Description and History of the Debtors' Businesses

#### 1.1.1 50 Crosby Pines, Ltd.

50 CROSBY PINES, LTD. is a limited partnership organized under the laws of the State of Texas on October 26, 2021. It is managed by its General Partner, 50 Crosby Pines GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing approximately 50.70 acres of land on the east side of F.M. 2100 in Crosby, Texas, between Reidland Road and Foley Road. This property will be subdivided into approximately 215 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>3</sup> and its Board of Directors has granted preliminary approval for the annexation.<sup>4</sup> A final vote to approve the annexation is set to take place in January 2024.

#### 1.1.2 48 Highland Shores, Ltd.

48 HIGHLAND SHORES, LTD. is a limited partnership organized under the laws of the State of Texas on December 1, 2021. It is managed by its General Partner, 48 Highland Shores GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing approximately 42.07 acres of land at Morton Lane and Riverside Street in Highlands, Texas. This property will be subdivided into approximately 193 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>5</sup> and its Board of Directors has granted preliminary approval for the annexation.<sup>6</sup> A final vote to approve the annexation is set to take place in January 2024.

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<sup>3</sup> See Tex. Spec. Dist. Code ch. 3936. The District was created, in part, to promote, develop, encourage, and maintain quality residential housing within the District's territory. *Id.* §§ 3936.003–3936.004. It is managed by an independent board of directors. *Id.* §§ 3936.051–3936.054. The District has the authority to levy ad valorem taxes and tax assessments as well as sales tax authority. *Id.* §§ 3936.202, 3936.203, 3936.206. The District also has unlimited authority to set water and sewer rates including builder tap fees within its boundaries. The District has the authority to enter into development contracts with private entities to further the statutory purpose of the District. *Id.* § 3936.102.

<sup>4</sup> Property owners may petition the District to annex property—even noncontiguous property—into the District. Tex. Water Code § 49.301; *see also* Tex. Loc. Gov't Code § 375.043 (applying this annexation power to municipal management districts); *see also* Tex. Spec. Dist. Code § 3936.007 (making the annexation powers of municipal management districts applicable to the East Lake Houston Management District).

<sup>5</sup> See note 3 on page 6.

<sup>6</sup> See note 4 on page 6.

**1.1.3 53 Eagles Cove, Ltd.**

53 EAGLES COVE, LTD. is a limited partnership organized under the laws of the State of Texas on October 26, 2021. It is managed by its General Partner, 53 Eagles Cove GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing three adjoining tracts of land totaling approximately 52.63 acres of land on the west side of Haney Road, between Barbers Hill Road and Fig Orchard Road in Highlands, Texas. This property will be subdivided into approximately 231 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>7</sup> and its Board of Directors has granted preliminary approval for the annexation.<sup>8</sup> A final vote to approve the annexation is set to take place in January 2024.

**1.1.4 171 Lone Stag, Ltd.**

171 LONE STAG, LTD. is a limited partnership organized under the laws of the State of Texas on September 20, 2020. It is managed by its General Partner, 171 Lone Stag GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing three adjoining tracts of land totaling approximately 168.33 acres of land in Montgomery County, Texas, near the intersection of Fostoria Road and County Road 379. This property will be subdivided into approximately 754 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>9</sup> and its Board of Directors has granted preliminary approval for the annexation.<sup>10</sup> A final vote to approve the annexation is set to take place in January 2024.

**1.1.5 80 Crosby Terrace, Ltd.**

80 CROSBY TERRACE, LTD. is a limited partnership organized under the laws of the State of Texas on January 28, 2022. It is managed by its General Partner, 80 Crosby Terrace GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing a 78.17 acre tract of land in Harris County, Texas on the west side of FM 2100 between Antelope Drive and Heathergate Lane in Crosby, Texas. This property will be subdivided into approximately 370 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>11</sup> and its

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<sup>7</sup> See note 3 on page 6.

<sup>8</sup> See note 4 on page 6.

<sup>9</sup> See note 3 on page 6.

<sup>10</sup> See note 4 on page 6.

<sup>11</sup> See note 3 on page 6.

Board of Directors has granted preliminary approval for the annexation.<sup>12</sup> A final vote to approve the annexation is set to take place in January 2024.

#### **1.1.6 133 Lone Wolf, Ltd.**

133 LONE WOLF, LTD. is a limited partnership organized under the laws of the State of Texas on May 5, 2020. It is managed by its General Partner, 133 Lone Wolf GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing two adjoining tracts of land totaling approximately 135.97 acres of land, with frontage on Lake Houston, in Harris County, Texas, near the intersection of Crosby-Huffman Road and Spanish Cove Drive. This property will be subdivided into approximately 492 single-family lots with associated streets, stormwater detention, and other common areas. This property was the original property constituting the property within the boundaries of the East Lake Houston Management District.<sup>13</sup>

#### **1.1.7 100 Tennessee Township, Ltd.**

100 TENNESSEE TOWNSHIP, LTD. is a limited partnership organized under the laws of the State of Texas on May 25, 2021. It is managed by its General Partner, 100 Tennessee Township GP, Inc., whose President is Joe Fogarty. This Debtor was organized for the purpose of developing a 100.5 acre tract of land in Harris County, Texas at 21745 FM 2929, Hockley, Texas 77477. This property will be subdivided into approximately 504 single-family lots with associated streets, stormwater detention, and other common areas. This Debtor has petitioned for this property to be annexed into the East Lake Houston Management District,<sup>14</sup> and its Board of Directors has granted preliminary approval for the annexation.<sup>15</sup> A final vote to approve the annexation is set to take place in January 2024.

#### **1.1.8 Management Services for All Debtors**

From their organization, the Debtors have delegated much of the administrative and land development tasks to Arete Real Estate and Development, Inc. (“Arete”), whose sole Director and President is Joe Fogarty. The services Arete provides, through its officers and employees, for the Debtors can be pooled between the Debtors where the cost of such management services provided to each Debtor is materially less than the cost each Debtor would incur if it had to contract in the open market for such services or hire its own employees.

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<sup>12</sup> See note 4 on page 6.

<sup>13</sup> See Tex. Spec. Dist. Code ch. 3936.005 (defining the District’s territory as that territory described in Section 3 of the Act enacting chapter 3936); see also Act of June 12, 2017, 85th Leg., R.S., ch. 608, § 3, 2017 Tex. Sess. Law Serv. (H.B. 3173).

<sup>14</sup> See note 3 on page 6.

<sup>15</sup> See note 4 on page 6.

Joe Fogarty has over 40 years' experience developing residential real estate in the Greater Houston area. Mr. Fogarty has been a licensed real estate broker for over 30 years. He has built over 1,000 single-family houses and overseen the design and building of approximately 500 commercial structures. And, Mr. Fogarty has delivered over 10,000 lots in other land development projects under business models similar to those employed with these Debtors.

## 1.2 Insiders of the Debtors

The term *insider* is defined in 11 U.S.C. § 101(31). Insiders of partnerships include: (i) general partners, (ii) relatives of a general partner or persons in control of the debtor partnership, (iii) partnerships in which the debtor is a general partner, (iv) other persons in control of the debtor. *See* 11 U.S.C. § 101(31)(C). Insiders of the Debtors are set forth in the table below:

Name	Relationship to Debtor
<b>50 Crosby Pines</b>	
50 Crosby Pines GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 50 Crosby Pines GP, Inc. and Arete Real Estate and Development, Inc.
<b>48 Highland Shores</b>	
48 Highland Shores GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 48 Highland Shores GP, Inc. and Arete Real Estate and Development, Inc.
<b>53 Eagles Cove</b>	
53 Eagles Cove GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 53 Eagles Cove GP, Inc. and Arete Real Estate and Development, Inc.
<b>171 Lone Stag</b>	
171 Lone Stag GP, Inc.	General Partner

Name	Relationship to Debtor
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 171 Lone Stag GP, Inc. and Arete Real Estate and Development, Inc.
<b>80 Crosby Terrace</b>	
80 Crosby Terrace GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 80 Crosby Terrace GP, Inc. and Arete Real Estate and Development, Inc.
<b>133 Lone Wolf</b>	
133 Lone Wolf GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Zandure Real Estate, Inc.	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 133 Lone Wolf GP, Inc. and Arete Real Estate and Development, Inc.
<b>100 Tennessee Township</b>	
100 Tennessee Township GP, Inc.	General Partner
Fogarty Family Trust II, Woodrow Holland, Trustee	Limited Partner
Arete Real Estate and Development, Inc.	Management services provider
Joe Fogarty	President of 100 Tennessee Township GP, Inc. and Arete Real Estate and Development, Inc.

Any allowed claims of Insiders and additional entities affiliated with Insiders will be classified in Class 6, in Section 3.3.6 below, which is subordinate to allowed claims of entities that are not Insiders.

### 1.3 Management of the Debtors During the Bankruptcy

At all times during the bankruptcy, the Debtors have been managed through their General Partners identified in Section 1.21.2 with the substantial assistance of Arete Real Estate and Development, Inc. At no time has the U.S. Trustee or any other party in interest sought the appointment of a Trustee over any of the Debtors' cases.

### 1.4 Events Leading to Chapter 11 Filing

Prior to bankruptcy, the Debtors completed most preliminary engineering studies and were applying for permits with the applicable regulatory authorities in order to begin the actual development work on their properties. However, most of the properties were within the extraterritorial jurisdiction ("ETJ") of either the City of Houston, the City of Baytown, or the City of Cleveland, which required regulatory approval from the municipalities. There were substantial delays in obtaining this approval. During this process, the various short-term loans the Debtors received by the Debtors matured without the possibility of further extensions of credit.

Recent legislation by the Texas Legislature is anticipated to have a positive impact on the Debtor's future development. Specifically, the Act of May 19, 2023<sup>16</sup> will allow the Debtors to remove the real property from the ETJ of the City of Houston, the City of Baytown, and the City of Cleveland, minimizing the Cities' influence over the development, and the Act of Jun. 18, 2023<sup>17</sup> will allow the East Lake Houston Management District to issue bonds without interference by either the City of Houston, the City of Baytown, or the City of Cleveland.

These positive developments in the law came too late to allow the Debtors to either extend the maturity dates of their secured loans or to obtain new financing. Ultimately, all Debtors, were left with no option but to seek bankruptcy protection in a final effort to reorganize their financial affairs.

### 1.5 Significant Events During the Bankruptcy Case

50 Crosby Pines filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code on July 31, 2023. 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code on October 2, 2023. 80 Crosby Terrace and 133 Lone Wolf filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code on December 31, 2023. At all relevant times, the Debtors have been classified as *single asset real estate* debtors pursuant to 11 U.S.C. § 101(51B).

On October 13, 2023, the Court entered an Order directing the joint administration of the cases involving 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag with the case of 50 Crosby Pines (ECF no. 34). The Order provided, in relevant part, that all pleadings, reports, and notices, disclosure statement, and plan to be filed in the above-styled and numbered case; however, the Order also

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<sup>16</sup> 88th Leg., R.S., ch. 106, § 1, 2023 Tex. Sess. Law Serv. ch. 106 (S.B. 2038, eff. Sep. 1, 2023).

<sup>17</sup> 88th Leg., R.S., ch. 1009, § 20, 2023 Tex. Sess. Law Serv. ch. 1009 (H.B. 2815, eff. Jun. 28, 2023).

provided the Debtors and creditors may file a separate set of Schedules, a Statement of Financial Affairs, and Proofs of Claims in the separate cases (ECF no. 34). On January 3, 2024, a companion Order directing the joint administration of the 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township with this case (ECF no. 74).

Upon the filing of the first bankruptcy case, 50 Crosby Pines explored various financing facilities to allow it to emerge from bankruptcy. Following October bankruptcy filings, the Debtors' aggregate debts were in a range where debtor-in-possession financing ("DIP financing") was feasible and the Debtors and Legalist, Inc. signed a term sheet for DIP financing that would provide for the payoff of the Debtors' pre-petition secured debts and ultimately allow the Debtors to emerge from bankruptcy. On November 29, 2023, all due diligence work including formal appraisals of the Debtors' real property had been completed and counsel for the Debtors and Legalist began preparing a formal loan agreement and motion for approval of the DIP financing.

On November 29, 2023, secured creditor, Brank Holdings, LLC, filed a motion seeking the dismissal of the 171 Lone Stag bankruptcy based upon its belief that 171 Lone Stag sought bankruptcy protection in bad faith (ECF no. 54). 171 Lone Stag categorically disputes this contention. Pursuant to local rules it must file a response to this Motion by December 20, 2023. While the Plan Proponents cannot forecast the court's ultimate ruling on this motion, dismissal of the 171 Lone Stag case would have an immediate, adverse impact on the claims of other creditors of 171 Lone Stag. Moreover, it could have a cascading adverse impact on the ability of the other Debtors to pay their respective creditors' claims.

Further significant events may occur between the filing of this Combined Disclosure Statement and Plan and the Confirmation Date that are not described herein.

## **1.6 Projected Recovery of Avoidable Transfers**

During the course of this bankruptcy case, the Debtors have not identified any potential preference, fraudulent conveyance, or other avoidance actions that might be pursued to bring value to the respective bankruptcy estates. Therefore, the Debtors do not intend to pursue such avoidance actions for the effectuation of this Plan.

## **1.7 Claims Objections**

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtors reserve the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. Disputed claims are treated in Section 4 of this Combined Disclosure Statement and Plan.

## **1.8 Current Financial Conditions**

With the financing facility described in this Combined Disclosure Statement and Plan, the Debtors believe they will have sufficient funding to retire existing debts, bring accounts payable current, and provide adequate cash reserves to install the initial infrastructure for the developments. Debt financing described in this Disclosure Statement and Plan, along with development agreements with



the East Lake Houston Management District, which can issue special assessment bonds, and proceeds from the ultimate lot sales, which will occur in phases, will enable the completion of the respective development projects.

## 2

### **The Plan Proponents**

The proponents of this Combined Disclosure Statement and Plan of Reorganization are the Debtors, 50 Crosby Pines, Ltd., 48 Highland Shores, Ltd., 53 Eagles Cove, Ltd., 171 Lone Stag, Ltd., 80 Crosby Terrace, Ltd., 133 Lone Wolf, Ltd., and 100 Tennessee Township, Ltd. (the “Plan Proponents”).

## 3

### **Summary of the Plan of Reorganization and Treatment of Claims and Equity Interests**

#### **3.1 Purpose of the Plan of Reorganization**

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

#### **3.2 Unclassified Claims**

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. Therefore, the Plan Proponents have not placed the following claims in any class.

##### **3.2.1 Administrative Expenses**

Administrative expenses are costs or expenses of administering the Debtors’ jointly administered Chapter 11 cases which are allowed under 11 U.S.C. § 503(b). Administrative expenses include the value of any goods sold to the Debtors in the ordinary course of business and received within 20 days before the date of the bankruptcy petition, and compensation for services and reimbursement of expenses awarded by the court under 11 U.S.C. § 330(a). The Code requires that all administrative expenses be paid on the Effective Date of the Plan, unless a particular claimant agrees to a different treatment.

The Debtors anticipate there will be a single administrative expense claim made by Pendergraft & Simon, LLP, counsel for the Debtors-in-Possession. As of the date of the filing of this Disclosure Statement and Plan, its claim for administrative expenses is estimated to be **\$70,000.00**. All claims for administrative expenses will require the submission of a fee application and approval of the said fee application by the Bankruptcy Court before any claim can be paid.

### 3.2.2 U.S. Trustee Fees and Court Fees

The Code also requires that fees owed under 28 U.S.C. § 1930, including quarterly fees to the U.S. Trustee and court fees, have been paid or will be paid on the Effective Date. Following the Confirmation Date, all quarterly fees to the U.S. Trustee and court fees will be paid as they come due prior to the entry of a Final Decree.

### 3.2.3 Priority Tax Claims

Priority tax claims are unsecured income, employment, and other taxes described by 11 U.S.C. § 507(a)(8). Unless the holder of such Priority Tax Claim agrees otherwise, it must receive the present value of such claim, pursuant to 11 U.S.C. § 511, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor's estimated priority tax claims and their proposed treatment under the Plan:

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
50 Crosby Pines						
Crosby ISD	\$49,199.06					\$49,199.06
Harris County	17,691.28					17,691.28
Harris County ESD #5			\$1,041.85	8/23/2023		1,041.85
Harris County ESD #80			2,817.67	8/23/2023		2,817.67
48 Highland Shores						
Goose Creek CISD	\$30,647.70		\$30,840.39	10/26/2023		\$30,840.39
Harris County	9,821.32					8,921.32
Harris County ESD #14			1,685.03	10/17/2023		1,685.03
53 Eagles Cove						
Goose Creek CISD	\$53,898.32		\$53,733.32	11/15/2023		\$53,733.32
Harris County	17,417.75					17,417.75
Harris County ESD #14			\$2,988.37	10/17/2023		2,988.37
171 Lone Stag						
Montgomery County	\$28,374.55		\$36,087.60	10/17/2023		\$36,087.60
80 Crosby Terrace						
Goose Creek CISD	10,578.76					10,578.76
Harris County	5,399.30					5,399.30
133 Lone Wolf						
Goose Creek CISD	50,499.20					50,499.20
Harris County	30,827.94					30,827.94
100 Tennessee Township						
Harris County	103,606.03					103,606.03
Waller ISD	214,547.68					214,547.68

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
<b>Total</b>						\$213,502.32

Allowed amount shown in the above table are subject to change because the bar dates for the filing of governmental claims are: (a) January 29, 2024 for creditors of 50 Crosby Pines, (b) April 9, 2024 for creditors of 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag, and (c) July 8, 2024 for creditors of 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

### ***3.2.3.1 Treatment of Ad Valorem Tax Claims***

The Priority Tax Claims of Cypress-Fairbanks ISD and Harris County (collectively the “Ad Valorem Taxing Authorities”) are also secured claims under 11 U.S.C. § 506(b) and are secured by a first-in-priority, statutory lien on all of the Debtors’ assets pursuant to Tex. Tax Code § 32.01.

Notwithstanding anything to the contrary contained within the Confirmed Plan, property taxes due to any ad valorem taxing authority over real property of the Estates, including, but not limited to, any ad valorem taxing authority in Harris County, Texas and Cypress-Fairbanks ISD, shall be paid by the Reorganized Debtors upon the Effective Date of the Plan. The property taxes shall bear interest at the statutory rate of 12 percent per annum beginning February 1, 2024 until said taxes are paid in full. Any and all statutory tax liens securing prepetition and post-petition taxes shall be retained until such taxes are paid in full.

Any post-petition property taxes owed to any ad valorem taxing authority over real property of the Estates shall be paid in the ordinary course of business and prior to delinquency under Texas law, and the ad valorem taxing authorities shall not be required to file an Administrative Expense Claim or request for allowance and payment of their claim. In the event any post-petition property taxes are not paid prior to delinquency under Texas law, penalties and interest shall accrue as provided under Texas law and the ad valorem taxing authorities shall be authorized to commence any and all collection activities in state court without further order of this Court.

Default shall occur if the claims of the ad valorem taxing authorities are not paid in full by the Effective Date or if the Debtors fail to pay any post-petition taxes prior to delinquency. In the event of default, the affected ad valorem taxing authority shall send written notice of default to Debtors’ attorney and to the Debtors. If the default is not cured within 21 days after notice of the default is mailed, the affected ad valorem taxing authority may proceed with state law remedies for collection of all amounts due under state law pursuant to the Texas Tax Code.

### ***3.2.3.2 Treatment of Income Tax Claims***

Being limited partnerships, the Debtors are classified as pass-through entities for federal tax purposes and do not pay income taxes on the entity level. *See* 26 C.F.R. § 1.67-2T. Instead, the income passes to the general and limited partners who report income derived from the Debtors on their income tax returns and pay income taxes for their share of the respective partnerships. Accordingly,

the Debtors do not owe any income taxes and do not anticipate the filing of any proof of claim by the IRS.

In the event the IRS is granted an Allowed Claim, such claim will be paid in full later of: (a) the Effective Date of this Plan, or (b) the date on which such claim is allowed by a final non-appealable order.

### **3.3 Classes of Claims and Equity Interests**

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan.

#### **3.3.1 CLASS 1 – Secured Claim of Legalist, Inc.**

Class 1 consists of a single, Allowed Claim of Legalist, Inc. (“the DIP Lender”), which arises from either: (i) a Final Order Authorizing Debtor-in-Possession Financing,<sup>18</sup> or (ii) the Confirmation Order. Under the terms of either Order, the Debtors will be authorized to borrow up to the full amount of the Loan Commitment provided for in the said Loan in one, or more, Draws on the terms of the Loan Documents, without application to or further order by the Court. The Loans, together with all interest, fees, and expenses contemplated by the Loan Documents are authorized to be incurred as super-priority claims under 11 U.S.C. § 364(c) and shall forever constitute allowed claims in these cases (and in any subsequent case, including any converted chapter 7 case) and shall not be subject to challenge, objection, or reduction.

Except as provided otherwise in this Plan or in the Confirmation Order, all Loan obligations to Legalist shall have priority over any, or all, administrative expenses of the kind specified in 11 U.S.C. §§ 503(b) or 507(b) in this or in any subsequent chapter 7 case. Further, Legalist shall have a security interest in and lien on all assets of the Debtors or in which the Debtors now, or hereafter, hold any right, title, or interest, which are hereby assigned and conveyed as security, hypothecated, mortgaged, pledged, and set over and unto the DIP Lender, comprising:

- a. Pursuant to 11 U.S.C. § 362(c)(2), Legalist’s liens not subject to existing liens shall have a first and senior priority over all other liens and claims; and
- b. Pursuant to 11 U.S.C. §§ 362(d)(1) and 1123(a)(5)(E), Legalist’s liens that are subject to existing liens shall have a first and senior priority over all other liens and claims, including, without limitation any existing liens.<sup>19</sup>

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<sup>18</sup> Such order will be signed after the filing of this Disclosure Statement and Plan but before the Confirmation Date.

<sup>19</sup> As set forth in Section 3.5.1.1 on page 27, holders of secured claims in Classes 2 and 3 are provided with the indubitable equivalent of their existing liens and claims under 11 U.S.C. § 1129(b)(2)(A)(iii).

Legalist's liens shall be automatically perfected upon the earlier of: (i) a Final Order Authorizing Debtor-in-Possession Financing, or (ii) the Confirmation Order. Pursuant to Bankruptcy Code sections 364(c)(2) and 364(d)(1), the mortgages, security interests, and liens granted to DIP Lender under this Order and the other DIP Loan Documents:

- a. Shall (and shall continue to) be first and senior in priority to all other interests, claims, security interests, mortgages, liens, and encumbrances of every kind, nature, and description, whether created consensually, by an order of this Court or any other court, or otherwise, including liens or interests granted in favor of other parties under Bankruptcy Code sections 363 or 364 or otherwise; and
- b. Shall not be made subject or subordinate to, or *pari passu* with, any other interest, claim, security interest, mortgage, lien, or encumbrance against any property of the Debtors or their estates, whether any such liens now exist or are hereafter created, pursuant to sections 363 or 364 of the Bankruptcy Code or otherwise.

Legalist will receive 100 percent of its claims on, or before, the *Maturity Date* as defined in the Loan Agreement, whether such Allowed Claim is classified as secured or unsecured debt.

Pursuant to 11 U.S.C. § 364(d), any funds advanced by Legalist will be secured by a lien senior to those liens of secured creditors in Classes 2 and 3 because the Debtors have been unable to secure adequate credit from any other lender other than Legalist. Moreover, none of the creditors in Class 2 have been willing to modify their existing loans.

Class 1 is unimpaired.

### 3.3.2 CLASS 2 – Secured Claims of Pre-Petition Lenders

Class 2 consists of those secured claims of the prepetition lenders as set forth in the table below:

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
50 Crosby Pines						
Menu Wong	\$1,939,816.12		\$1,939,816.12	8/7/2023		\$1,939,816.12
48 Highland Shores						
Next Level Capital Solutions	1,539,003.97					1,539,003.97
53 Eagles Cove						
Danny & Brenda Moore	1,469,322.94					1,469,322.94
171 Lone Stag						
Brank Holdings	2,111,400.00					2,111,400.00
Next Level Capital Solutions	621,978.97					621,978.97
80 Crosby Terrace						
Space City Finance	1,900,000.00					1,900,000.00
133 Lone Wolf						

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
Reddy Malladi	3,448,692.00					3,448,692.00
<b>100 Tennessee Township</b>						
Jurni, L.P.	5,419,642.97					5,419,642.97
<b>Total</b>						<b>18,449,856.97</b>

Allowed amount shown in the above table are subject to change because the bar dates for the filing of claims are: (a) November 27, 2023 for creditors of 50 Crosby Pines, (b) February 5, 2023 for creditors of 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag, and (c) May 6, 2024 for creditors of 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

Allowed claims in Class 2 will be paid pursuant to one of two payment options as outlined below.

#### **Alternative 1:**

If a creditor in Class 2 and the Debtors reach an agreement, the applicable Debtor will pay an agreed-to percentage of the outstanding indebtedness, as stated in a payoff quote provided by the said creditor to a title company, through funds advanced by Legalist at the closing of the DIP Loan. Closing will occur on the 15<sup>th</sup> day following the approval of the DIP Loan by either: (a) a pre-confirmation order approving the DIP Loan or (b) confirmation of this Plan. The remaining indebtedness will be paid under a new promissory note that:

- a. Matures within 18 months;
- b. Pays interest at a rate in excess of the contract rate of the promissory note being cancelled;
- c. Is secured by the existing lien on the specified real property plus a new lien, subordinate to the liens of Legalist and the any other pre-petition secured creditor in Class 2, on all other real property involving these Debtors.

Additionally, all agreed-to legal fees of such creditor electing this payment option will be paid at the time of the initial cash paydown.

Except as to the date of the final payment in full, creditors in Class 2 being paid under this payment option will receive enhanced legal, equitable, and contractual rights over that with exist under their existing loan agreements.

#### **Alternative 2:**

In the event an agreement cannot be reached with a creditor in Class 2 regarding the above payment option, allowed claims in Class 2 will be paid as follows:

- a. At least 60 percent of outstanding indebtedness, as stated in a payoff quote provided by the said creditor to a title company, through funds advanced by Legalist at the closing of the DIP/Exit Loan. The remaining indebtedness will be paid in deferred cash payments, bearing interest at the applicable rate provided for in the applicable pre-petition loan agreement at the time of the completion of Phase One of the developments as further described in Section 5.4.2, on page 40.
- b. Following initial funding through the DIP/Exit Loan, the Debtors will pay a minimum of interest at the non-default contractual rate on the applicable loan agreements on a monthly basis until all indebtedness due to the creditors in Class 2 is paid in full.
- c. Pursuant to 11 U.S.C. §§ 1123(a)(5)(E), the liens of creditors in Class 2 will be modified to enable the lien of the creditor in Class 1 to have priority over the liens in Class 2 to the extent of funds advanced by the creditor in Class 1.

Creditors in Class 2 being paid under this payment option will receive 100 percent of their allowed claims plus interest, reasonable and necessary attorneys' fees, and other charges allowed under the applicable pre-petition contracts.

To the extent allowed claims in Class 1 take priority over the liens of creditors in Class 2, allowed claims in Class 2 are impaired.

### 3.3.3 CLASS 3 – Secured Claims of Homebuilders

Class 3 is comprised of contingent claims of homebuilders who have entered into earnest money contracts with either of the Debtors for the purchase of certain numbers of the lots that will ultimately be developed. The Debtors' performance of the earnest money contracts is also secured by recorded deeds of trust to secure performance. The claims are classified as contingent because various conditions precedent necessary for the homebuilders to be required to purchase lots have not occurred—namely the final plat of the respective subdivisions needs to be approved by local regulatory authorities and construction of infrastructure (e.g., roads and utilities) needs to be completed.

Claims in Class 3 are set forth in the table below:

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
50 Crosby Pines						
Anglia Homes	\$500,000.00	C				\$ 0.00
Gehan Homes	500,000.00	C				0.00
48 Highland Shores						
Brightland Homes	700,000.00	C				0.00
NuWay Homes of Texas	670,000.00	C				0.00

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
53 Eagles Cove						
Anglia Homes	650,000.00	C				0.00
NuWay Homes of Texas	550,000.00	C				0.00
171 Lone Stag						
Anglia Homes	500,000.00	C				0.00
Brightland Homes	500,000.00	C				0.00
NuWay Homes of Texas	450,000.00	C				0.00
80 Crosby Terrace						
KB Homes	700,000.00	C				0.00
NuWay Homes of Texas	700,000.00	C				0.00
133 Lone Wolf						
Gehan Homes	600,000.00	C				0.00
NuWay Homes of Texas	200,000.00	C				0.00
100 Tennessee Township						
DFH Coventry	950,000.00	C				0.00
Weekley Homes	960,000.00	C				0.00
Total						\$ .00

The Plan Proponents' position on allowance is based upon the assumption that the associated earnest money contracts will be assumed as set forth in Section 3.4 below. Allowed amount shown in the above table are subject to change because the bar dates for the filing of claims are: (a) November 27, 2023 for creditors of 50 Crosby Pines, (b) February 5, 2023 for creditors of 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag, and (c) May 6, 2024 for creditors of 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

The earnest money contracts are similar then that:

- a. The homebuilders have promised to purchase lots, at the price specified in the respective contracts, when the Debtors have satisfied certain development milestones, and
- b. The Debtors have promised to sell the lots for the agreed-to price.

Because these claims are based upon executory contracts, the contracts are treated as set forth in Section 3.4 below. Future performance of those contracts will be governed by the said contract.

Creditors in Class 3 who have liens will retain such liens until all financial and performance-based obligations are fully satisfied. To the extent the a homebuilder lawfully cancels one of the contracts and demands return of the earnest money, the respective Debtor will execute all necessary releases or return any earnest money advanced to the respective Debtor to enable the homebuilder seeking



return of such earnest money to obtain the return of the full earnest money deposit either in single payment or deferred cash payments after receipt of such demand for a return of the earnest money. Such earnest money may be returned in deferred cash payments within the term of this Plan.

To the extent allowed claims in Class 1 take priority over the liens of creditors in Class 3, allowed claims in Class 3 are impaired.

### 3.3.4 CLASS 4 - Priority Unsecured Claims

The Debtors have neither scheduled any priority claims, nor do they anticipate having any allowed priority claims.

To the extent a timely-filed priority claim is allowed, such claim will be paid in full, in one, or more, deferred cash payments upon the later of: (i) the Effective Date of this Plan, or (ii) the date on which such claim is allowed by a final non-appealable order.

Creditors in this class will receive 100 percent of their claims ultimately entitled to priority status.

Class 4 is unimpaired.

### 3.3.5 CLASS 5 - General Unsecured Claims

General Unsecured Claims in Class 5 are set forth in the table below:

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
50 Crosby Pines						
FDR Consulting	\$23,902.51					\$23,902.51
Stevens Technical Services	8,750.00					8,750.00
Texas Land Engineers	101,200.00					101,200.00
Windrose Land Surveying	15,519.95					15,519.95
48 Highland Shores						
FDR Consulting	415.50					415.50
53 Eagles Cove						
FDR Consulting	556.35					556.35
Odyssey Engineering Group	7,500.00					7,500.00
Stewart Engineering Services	24,500.00					24,500.00
171 Lone Stag						
FDR Consulting	21,017.41					21,017.41
Windrose Land Surveying	19,750.00					19,750.00
80 Crosby Terrace						
ECS Southwest	6,260.00					6,260.00
FDR Consulting	15,302.98					15,302.98

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
Stevens Technical Services	8,750.00					8,750.00
Texas Land Engineers	72,793.88					72,793.88
Windrose Land Surveying	1,515.50					1,515.50
<b>133 Lone Wolf</b>						
Clark Hill	2,340.00					2,340.00
East Lake Houston Management Dist.	80,627.98					80,627.98
ECS Southwest	3,800.00					3,800.00
FDR Consulting	76,953.20					76,953.20
Frazier Oil Properties	5,165.00					5,165.00
Landev Engineers	34,191.62					34,191.62
R.G. Miller Engineers	97,282.58					97,282.58
Western Energy Services	125,000.00					125,000.00
Windrose Land Surveying	11,095.63					11,095.63
Zendure Real Estate	197,709.05					197,709.05
<b>100 Tennessee Township</b>						
Associated Testing Laboratories	22,524.00					22,524.00
East Lake Houston Management Dist.	70,901.95					70,901.95
FDR Consulting	36,168.73					36,168.73
IDS Engineering Group	186,575.07					186,575.07
Meta Planning and Design	31,159.03					31,159.03
Steven Technical Service	7,500.00					7,500.00
<b>Total</b>						<b>\$1,316,727.92</b>

Allowed amount shown in the above table are subject to change because the bar dates for the filing of claims are: (a) November 27, 2023 for creditors of 50 Crosby Pines, (b) February 5, 2023 for creditors of 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag, and (c) May 6, 2024 for creditors of 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

All allowed general unsecured claims will be paid in deferred cash payments from cash on hand after all Allowed Claims in Classes 1 through 4 are paid in full. All payments made to holders of Allowed Claims in Class 5 will be pro rata amounts until all Allowed Claims in Class 5 are paid in full.

To the extent a claim is anticipated or is awaiting approval pursuant to Fed. R. Bankr. P. 9019, an allowance for such claim will be made and distributions on such claim will be made to the extent such claim is ultimately allowed by a final court order.

Creditors in this class will receive 100 percent of their Allowed Claims.

Class 5 is impaired.

### 3.3.6 CLASS 6 – Unsecured Claims of Insiders

Class 6 consists of those secured and unsecured claims of Insiders, as defined under 11 U.S.C. § 101(31). Insiders holding Allowed Claims are set forth in the table below:

Creditor	Claim per Schedules		Proof of Claim			Position on Allowance
	Amount	CUD	Amount	Date Filed	Objection	
50 Crosby Pines						
Arete Real Estate & Development	\$139,880.00					\$139,880.00
48 Highland Shores						
none						
53 Eagles Cove						
none						
171 Lone Stag						
Arete Real Estate & Development	\$43,511.26					\$43,511.26
80 Crosby Terrace						
Arete Real Estate & Development	138,750.00					138,750.00
133 Lone Wolf						
Arete Real Estate & Development	412,563.91					412,563.91
100 Tennessee Township						
Arete Real Estate & Development	903,180.56					903,180.56
Woodrow A. Holland	10,000.00					10,000.00
Total						\$1,647,885.73

Except as specifically allowed by the DIP Lender as an approved budget item and draw request under the DIP Loan, no insider creditor—whether secured or unsecured—shall receive any distribution from the Reorganized Debtors until all Allowed Claims in Classes 1 through 5 are paid in full.<sup>20</sup>

Creditors in this class will receive 100 percent of their Allowed Claims.

Class 6 is impaired.

### 3.3.7 CLASS 7 – Interests of Partners

The equity interests of the General Partners and Limited Partners shall remain unchanged as a result of confirmation of this Plan.

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<sup>20</sup> Nothing in this Plan precludes an insider from seeking approval of an Administrative Expense Claim, after a hearing with notice to all parties in interest.

No partner—general or limited—shall receive any distribution from the Reorganized Debtors until all Allowed Claims in Classes 1 through 6 are paid in full.<sup>21</sup>

Class 7 is impaired.

### 3.4 Executory Contracts and Unexpired Leases

#### 3.4.1 Executory Contracts and Unexpired Leases to Be Assumed or Assigned

The following table lists all executory contracts and unexpired leases that the Debtors will assume, and if applicable assign, under the Plan:

Contracting Party	Description of Contract or Lease
<b>50 Crosby Pines</b>	
Anglia Homes	Contract dated August 13, 2021 for the purchase of approximately 100 single-family lots pprox.x. 50' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
Gehan Homes	Contract dated September 1, 2021 for the purchase of remaining, approximately 110 single-family lots pprox.x. 45' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>48 Highland Shores</b>	
Brightland Homes	Contract dated April 21, 2022 for the purchase of approximately 86 single-family lots pprox.x. 50' × 120') and right of first refusal on 10, 60' × 120' lots (see also treatment provided for in Class 3, Section 3.3.3 above)
NuWay Homes of Texas	Contract dated December 1, 2022 June 22, 2021 for the purchase of approximately 86 single-family lots pprox.x. 50' × 120') and right of first refusal on 10, 60' × 120' lots (see also treatment provided for in Class 3, Section 3.3.3 above)
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>53 Eagles Cove</b>	

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<sup>21</sup> Nothing in this Plan precludes a general partner from seeking approval of an Administrative Expense Claim, after a hearing with notice to all parties in interest.

Contracting Party	Description of Contract or Lease
Anglia Homes	Contract dated October 7, 2021 for the purchase of approximately 115 single-family lots pprox.x. 40' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
NuWay Homes of Texas	Contract dated June 22, 2021 for the purchase of remaining, approximately 77 single-family lots pprox.x. 60' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>171 Lone Stag</b>	
Anglia Homes	Contract for the purchase of approximately 77 single-family lots pprox.x. 60' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
Brightland Homes	Contract for the purchase of approximately 77 single-family lots pprox.x. 60' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
NuWay Homes of Texas	Contract for the purchase of remaining, approximately 77 single-family lots pprox.x. 60' × 120') (see also treatment provided for in Class 3, Section 3.3.3 above)
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>80 Crosby Terrace</b>	
KB Homes	Contract for purchase of 150 single-family lots, consisting of 55%, 45' lots and 45%, 50' lots
NuWay Homes of Texas	Contract for purchase of 150 single-family lots, consisting of 55%, 45' lots and 45%, 50' lots
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>133 Lone Wolf</b>	
Gehan Homes	Contract for purchase of 94 single-family lots pprox.x. 50' × 120') and 140 single lots □pprox.x. 40' × 120')
Gehan Homes	Contract for purchase of 21 single-family lots pprox.x. 50' × 120') and right-of-first refusal on up to 17 waterfront, bulkheaded lots pprox.x. 50' × 120')
NuWay Homes of Texas	Contract for purchase of 93 single-family lots pprox.x. 50' × 120') and 140 single lots □pprox.x. 40' × 120')

Contracting Party	Description of Contract or Lease
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract
<b>100 Tennessee Township</b>	
DFH Coventry, LLC	Contract for purchase of 252 single-family lots
Weekley Homes, LLC	Contract for purchase of 252 single-family lots, consisting of 126, 5'' lots and 126 4'' lots
East Lake Houston Management District	Development agreement with East Lake Houston Management District
Arete Real Estate and Development, Inc.	Management services contract

Assumption means that the Debtors have elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. The above table also lists how the Debtors will cure and compensate the other party to such contract or lease for any such defaults.

None of the above executory contracts are in monetary default.

After the Effective Date, assumption of any executory contract or unexpired lease will not preclude the contracting Debtor or the other parties to any contract from amending, modifying, or superseding any assumed contract or lease pursuant to applicable nonbankruptcy law.

**If you object to the assumption, and if applicable the assignment, of your unexpired lease or executory contract under the Plan, the proposed cure of any defaults, the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.**

### **3.4.2 Executory Contracts and Unexpired Leases to Be Rejected**

All executory contracts and unexpired leases that are not listed in Section 3.4.1 above, or have not previously been assumed or assigned before the Effective Date, or are not the subject of a pending motion to assume, or to assign, the Debtors will be conclusively deemed to have rejected all executory contracts and unexpired leases as of the Effective Date.

**If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.**

**A Proof of Claim arising from the rejection of an executory contractor unexpired lease under this Section must be filed no later than 30 days after the date of the Confirmation Order.**

### 3.5 Means of Implementing the Plan

#### 3.5.1 Source of Payments

Prior to and immediately following the Confirmation Date, the primary source of payments of allowed administrative expenses, allowed priority tax claims, and allowed claims Classes 2 through 5 will be proceeds from the DIP Loan.

Additional proceeds from the DIP Loan will fund the completion of the development of the Real Property and enable the Reorganized Debtors to sell the developed lots to the homebuilders. The revenues generated by the sales to homebuilders will enable the Reorganized Debtors to pay the DIP Lender on, or prior to, the Maturity of the DIP Loan. *See* Section 3.3.1 above and EXHIBIT 1 for additional information about the payment schedule.

##### 3.5.1.1 DIP/Exit Financing

DIP loans may be approved upon a showing that the following factors are present:

- a. The proposed financing is an exercise of the debtor's sound and reasonable business judgment;
- b. The financing agreement was negotiated in good faith and at an arm's length;
- c. No alternative financing is available on equal or better terms; and
- d. The financing is necessary, essential, and appropriate for the continued operation of the debtor's business and/or the preservation of its estate and is in the best interests of the estate and its creditors

*See, e.g., In re Farmland Indus. Inc.*, 294 B.R. 855, 879–81 (Bankr. W.D. Mo. 2003). Here, each of these factors is present.

Firstly, entry into the DIP Loans is an exercise of the Debtors' sound and reasonable business judgment. Courts presume that debtors make financing decisions "on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the company," *In re Los Angeles Dodgers LLC*, 457 B.R. 308, 313 (Bankr. D. Del. 2011), and will not "second-guess a business decision, so long as corporate management exercised a minimum level of care in arriving of the decision," *Id.*, 457 B.R. at 313.

Here, management carefully considered the history of the development projects and the value the Debtors have already added to the properties since acquiring them. Management has also carefully considered the cash that will be needed to complete the development of the lots and begin selling them to home builders. This includes reevaluating every step of the development plans and the associated cash requirements and established completion dates in light of the economic upheavals of the past three years.

Secondly, the DIP Credit Agreement was negotiated in good faith and at arm's length and no alternative financing is available on equal or better terms. In demonstrating the presence of this factor, a debtor need only demonstrate that it made a "reasonable effort" to obtain alternative financing. *In re Ames Dep't Stores, Inc.*, 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990); *see also In re Reading Tube Indus.*, 72 B.R. 329, 332 (Bankr. E.D. Pa. 1987) ("Given the 'time is of the essence' nature of this type of financing, we would not require this or any debtor to contact a seemingly infinite number of possible lenders.").

Here, management has had various levels of discussions with lenders both before and after the filing of these jointly administered bankruptcy cases to discuss the refinancing of the existing secured debt and the Debtors' additional financing needs. Since the Petition Dates, both Debtors have had discussions with over three potential lenders. Moreover, the Credit Agreement between the Debtors and Legalist was the result of extensive negotiation and where Legalist conducted extensive due diligence, including the retention of its own advisors in property appraisals, real estate development, and public bond financing. Ultimately, the Debtors believe that this financing agreement is the best way to finance the Debtors' cash requirements both prior to and after confirmation of a plan of reorganization.

Thirdly, the terms of this financing are necessary, essential, and appropriate for the continued operation of the Debtor's business and/or the preservation of its estate and are in the best interests of the estate and its creditors. This factor is satisfied where, for example, "[w]ithout the continued financings, the Debtors would likely be forced into a Chapter 7 or 11 liquidation, to the detriment of all creditors," *Farmland Indus.*, 294 B.R. at 885, and the proposed financing "was not principally for the benefit of a pre-petition creditor to the detriment of other parties in interest," *Ames Dep't Stores*, 115 B.R. at 40.

Here, any other financing package will likely involve terms that are more burdensome to the Debtors. Moreover, on November 29, 2023, Brank Holdings filed a motion to dismiss the 171 Lone Stag case (ECF no. 54), which is currently set for a hearing on January 12, 2024 (ECF no. 76). Without the ability to pay this matured loan through DIP/Exit financing, Brank Holdings would likely obtain the relief from the stay and be able to proceed with a foreclosure or dismissal of this bankruptcy case, negating the ability of the Debtors to reorganize their financial affairs.

Based on the foregoing, Legalist can a senior or equal lien on property because: (a) there are no other sources of credit available to the Debtors, and (b) other lienholders in Classes 2 and 3 have adequate protection in the real property as set forth in EXHIBIT 4. *See* 11 U.S.C. § 364(d)(1). Additionally, lien rights of creditors in Classes 2 and 3 may be modified under 11 U.S.C. § 1123(a)(5)(E) by providing such creditors with the indubitable equivalent of their claims and interests under 11 U.S.C. § 1129(b)(2)(A)(iii). Here, the Debtors have provided for such indubitable equivalent because of the significant equity cushion all secured creditors have in the real property that will increase as lots are delivered to the homebuilders.



### ***3.5.1.2 Development Contract and Bond Sales by East Lake Houston Management District***

On January 15, 2023, the Board of Directors of the East Lake Houston Management District approved a final resolution providing for the for the annexation of all real property of the Debtors into the District.<sup>22</sup>

The District will act as the development authority to levy and collect special assessments on the residential lots in each section. The District will levy a special assessment on a per lot basis of \$1.20 per \$100 of the value of each lot, and the lot owners will pay the special assessments every year in equal, annual payments over a 30-year period. Bonds may be issued and sold in up to two tranches per section per development. The first tranche, encompassing approximately 30 percent of the bonds, will be based on special assessments for the value of the lots land only, and the bond proceeds will help fund construction of streets, drainage, parks and recreation within the developments. The second tranche, encompassing the remainder of the bonds, will be based on a second special assessment which will be based upon the value of the lots with improvements. This valuation will be available once home construction commences and a foundation is poured.

The ultimate benefit of this public-private partnership is that the District will provide approximately \$20,000 per lot in development funding in advance of construction.

The District will also have the authority to enter into long-term leases of necessary infrastructure for water/sanitary sewer to provide public water and sanitary sewer service for all lots. The funding by the water/sewer lessor will provide a benefit of approximately \$20,000 per lot.

After allowing for land cost, the net funds available from Legalist will provide an additional \$25,000 per lot for the development of section one on all 7 subdivision projects.

### **3.5.2 Post-Confirmation Management**

Post-confirmation, management of the Debtors will remain unchanged. The General Partners of the Debtors will remain as follows:

Debtor	General Partner
50 Crosby Pines, Ltd.	50 Crosby Pines GP, Inc.
48 Highland Shores, Ltd.	48 Highland Shores GP, Inc.
53 Eagles Cove, Ltd.	53 Eagles Cove GP, Inc.
171 Lone Stag, Ltd.	171 Lone Stag GP, Inc.
80 Crosby Terrace, Ltd.	80 Crosby Terrace GP, Inc.
133 Lone Wolf, Ltd.	133 Lone Wolf GP, Inc.
100 Tennessee Township, Ltd.	100 Tennessee Township GP, Inc.

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<sup>22</sup> 133 Lone Wolf has always been part of the District. See note 13 on page 8.

Any change of a General Partner prior to the entry of a Final Decree will require approval of the Bankruptcy Court in order to be effective.

### 3.6 Risk Factors

Certain risk factors are inherent in any plan of reorganization. Over the next 60 days, immediate risks include the failure of the DIP Loan to fund and the foreclosure of the Debtors' real property. As described in Section 5.3 below and in EXHIBIT 3, this would result in either the dismissal of this bankruptcy or its conversion to a Chapter 7 liquidation, where there would be insufficient assets remaining to pay any creditors' claims.

Long-term risks after the anticipated Confirmation Date include a downturn in the economy making the development of single-family subdivisions in the Houston Metropolitan Area impractical and an adverse regulatory environment making it impossible for the Reorganized Debtors to obtain the necessary permits and clearances from the Harris County Flood Control District, Harris County Engineering Department, or Montgomery County. Nonetheless, the Debtors believe these risks are minimal and that the DIP Financing that is key to the implementation of this Plan will enable the Debtors to obtain the necessary permits and regulatory clearances within 90 days.<sup>23</sup>

### 3.7 Tax Consequences of the Plan

The Plan and its related tax consequences are complex. Moreover, many of the Internal Revenue Code provisions dealing with the federal income tax issues arising from the Plan have been the subject of recent legislation and, as a result, may be subject to as yet unknown administrative or judicial interpretations. The Debtors have not requested a ruling from the Internal Revenue Service ("IRS") or an opinion of counsel with respect to these matters. Accordingly, no assurance can be given as to the interpretation that the IRS will adopt.

There also may be state, local, or other tax considerations applicable to each creditor.

**Creditors and equity interest holders concerned with how the Plan may affect their tax liability should consult with their own tax professionals, accountants, attorneys, and/or advisors.**

## 4

### Allowance and Disallowance of Claims

#### 4.1 Disputed Claims

A *disputed claim* is a claim that has not been allowed or disallowed by a final, non-appealable order, and as to which either:

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<sup>23</sup> Permitting and approvals for 53 Eagles and 48 Highland Shores will take longer than 90 days because both projects are still in the early engineering stages.

1. a proof of claim has been filed or deemed filed, and a Debtor or another party in interest has filed an objection; or
2. no proof of claim has been filed, and a Debtor has scheduled such claim as disputed, contingent, or unliquidated.

#### **4.2 Objections to Claims**

Claims objections must be made by:

1. For a proof of claim filed prior to the Effective Date, not later than 30 days after the Effective Date; or
2. For a proof of claim filed after the Effective Date but before the Bar Date, not later than 30 days after the date the proof of claim is filed.

#### **4.3 Delay of Distributions on Disputed Claims**

No distribution will be made on account of a disputed claim unless such claim is allowed by a final, non-appealable order.

#### **4.4 Anticipated Claims Objections**

The Debtors do not anticipate the need to object to any claims on file as of the filing date of this Disclosure Statement and Plan. Nonetheless, the Debtors reserves the right to object to any claims made, especially those claims made after the filing of this Plan.

#### **4.5 Settlement of Disputed Claims**

The Debtors will have the power and authority to settle and compromise a disputed claim with Court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

### **5**

#### **Confirmation Requirements and Procedures**

To be confirmable, the Plan must meet the requirements listed in 11 U.S.C. § 1129. These include the requirements that:

1. the Plan must be proposed in good faith;
2. if a class of claims is impaired under the Plan, at least one impaired class of claims must accept the Plan, without counting votes of insiders;
3. the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a Chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and

4. the Plan must be feasible.

These requirements are not the only requirements listed in 11 U.S.C. § 1129, which states, in relevant part:

The court shall confirm a plan only if all of the following requirements are met:

- (1) The plan complies with the applicable provisions of this title.
- (2) The proponent of the plan complies with the applicable provisions of this title.
- (3) The plan has been proposed in good faith and not by any means forbidden by law.
- (4) Any payment made or to be made by the proponent, by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable.
- (5) (A) (i) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and  
(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and  
(B) the proponent of the plan has disclosed the identity of any insider that will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.
- (6) Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.
- (7) With respect to each impaired class of claims or interests—
  - (A) each holder of a claim or interest of such class—
    - (i) has accepted the plan; or
    - (ii) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of this title on such date; or

(B) if section 1111(b)(2) of this title applies to the claims of such class, each holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

(8) With respect to each class of claims or interests—

(A) such class has accepted the plan; or

(B) such class is not impaired under the plan.

(9) Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that—

(A) with respect to a claim of a kind specified in section 507(a)(2) or 507(a)(3) of this title, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;

(B) with respect to a class of claims of a kind specified in section 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of this title, each holder of a claim of such class will receive—

(i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim;

(C) with respect to a claim of a kind specified in section 507(a)(8) of this title, the holder of such claim will receive on account of such claim regular installment payments in cash—

(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

(ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303; and

(iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b)); and

(D) with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8), but for

the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in subparagraph (C).

- (10) If a class of claims is impaired under the plan, at least one class of claims that is impaired under the plan has accepted the plan, determined without including any acceptance of the plan by any insider.
- (11) Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.
- (12) All fees payable under section 1930 of title 28, as determined by the court at the hearing on confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan.
- (13) The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of this title, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of this title, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.
- (14) If the debtor is required by a judicial or administrative order, or by statute, to pay a domestic support obligation, the debtor has paid all amounts payable under such order or such statute for such obligation that first become payable after the date of the filing of the petition.
- (15) In a case in which the debtor is an individual and in which the holder of an allowed unsecured claim objects to the confirmation of the plan —
  - (A) the value, as of the effective date of the plan, of the property to be distributed under the plan on account of such claim is not less than the amount of such claim; or
  - (B) the value of the property to be distributed under the plan is not less than the projected disposable income of the debtor (as defined in section 1325(b)(2)) to be received during the 5-year period beginning on the date that the first payment is due under the plan, or during the period for which the plan provides payments, whichever is longer.
- (16) All transfers of property under the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.

The Plan Proponents assert that Subsections 6, 9, 13, 14, and 15 above are not applicable to this case.<sup>24</sup> The Plan Proponents assert that this Disclosure Statement and Plan complies with Subsections 1, 2, 3, 4, 5, 11, 12, and 16 above. In particular:

1. The Disclosure Statement and Plan contain all of the contents specified under 11 U.S.C. § 1123.
2. The Plan Proponents have complied with 11 U.S.C. § 1121 and have otherwise complied with all statutory requirements of being Debtors-in-Possession and Orders of the Bankruptcy Court.
3. The Plan has been proposed in good faith and seeks to reorganize the Debtors within what is allowed under the Code.
4. All fees and compensation to be paid to the Plan Proponents, the Debtors, and professionals in connection with the bankruptcy cases or this Plan are subject to the approval of the Court.
5. Retention of the Debtors' pre-petition management is consistent with the interests of all creditors and partners and with public policy.
6. Holders of administrative priority claims under 11 U.S.C. §§ 507(a)(2) and 507(a)(3) will be paid in full at the earlier of the Effective Date or the date allowed by final Order of the Bankruptcy Court. Holders of all other priority claims under 11 U.S.C. § 507 will be paid in full at the earlier of the Effective Date or when such claim is allowed by final, nonappealable order.
7. Under the financial projections in EXHIBIT 2, confirmation of the plan is not likely to be followed by the liquidation or need for further financial reorganization of the Debtors.
8. All statutory fees under 28 U.S.C. § 1930 are current or will be paid by the Effective Date. Moreover, the Plan provides for the timely payment of all future fees that accrue while the bankruptcy cases are open.
9. All transfers of property and interests in property are being made in accordance with applicable nonbankruptcy law.

At the present time, it is uncertain whether this Disclosure Statement and Plan complies with Subsections 7, 8, and 10 above; however, the Plan Proponents anticipate that such requirements for confirmation will be known by the Balloting Deadline.

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<sup>24</sup> To the extent § 1129(a)(9) might become applicable due to the filing of a proof of claim that is ultimately allowed by a final, nonappealable order, the Section 3.3.4 of the Plan provides for payment in full in deferred cash payments.

## 5.1 Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. Except as stated in Section 5.1.3 below, a creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both: (a) allowed or allowed for voting purposes and (b) impaired. In this case, the Plan Proponents believe that Classes 2, 3, 5, 6 and 7 are impaired and that holders of claims and interests in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponents believe that Classes 1, and 4 are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

### 5.1.1 Allowed Claims and Allowed Equity Interests

Only a creditor or equity interest holder with an Allowed Claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either:

1. the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or
2. the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest.

When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Fed. R. Bankr. P. 3018(a).

**The deadline for filing a proof of claim against the estate of 50 Crosby Pines is November 27, 2023 (January 29, 2024 for governmental units). The deadline to file a proof of claim against the estate of 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag is February 5, 2024 (April 9, 2024 for governmental units). The deadline to file a proof of claim against the estate of 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township is May 6, 2024 (July 8, 2024 for governmental units).**

**The deadline for filing objections to claims is the latter of: (a) 30 days following the Effective Date of the Plan, or (b) 30 days following the filing of the underlying proof of claim.**

### 5.1.2 Impaired Claims and Impaired Equity Interests

As noted above, the holder of an Allowed Claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in 11 U.S.C. § 1124, a class is considered *impaired* if the Plan alters the legal, equitable, or contractual rights of the members of that class.



### **5.1.3 Entities Not Entitled to Vote**

The holders of the following six types of claims and equity interests are not entitled to vote:

1. holders of claims and equity interests that have been disallowed by an order of the Court;
2. holders of other claims or equity interests that are not “Allowed Claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes;
3. holders of claims or equity interests in unimpaired classes;
4. holders of claims entitled to priority pursuant to 11 U.S.C. §§ 507(a)(2), 507(a)(3), and 507(a)(8);
5. holders of claims or equity interests in classes that do not receive or retain any value under the Plan; and
6. administrative expenses.

**Even if you are not entitled to vote on the Plan, you have the right to object to the confirmation of the Plan and to the adequacy of the Disclosure Statement.**

### **5.1.4 Entities Voting in More Than One Class**

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity and should cast one ballot for each claim.

## **5.2 Votes Necessary to Confirm the Plan**

If impaired classes exist, the Court cannot confirm the Plan unless:

1. all impaired classes have voted to accept the Plan; or
2. at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and the Plan is eligible to be confirmed by “cram down” of the non-accepting classes, as discussed in Section 5.2.2 below.

### **5.2.1 Votes Necessary for a Class to Accept the Plan**

A class of claims accepts the Plan if both of the following occur:

1. the holders of more than  $\frac{1}{2}$  of the Allowed Claims in the class, who vote, cast their votes to accept the Plan, and

2. the holders of at least  $\frac{2}{3}$  in dollar amount of the Allowed Claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least  $\frac{2}{3}$  in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

#### **5.2.2 Treatment of Non-Accepting Classes of Secured Claims, Unsecured Claims, and Interests**

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan upon the request of the Plan Proponents if the non-accepting classes are treated in the manner prescribed by 11 U.S.C. § 1129(b). A plan that binds non-accepting classes is commonly referred to as a *cram-down plan*. The Code allows the Plan to bind non-accepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of 11 U.S.C. § 1129(a)(8), does not *discriminate unfairly*, and is *fair and equitable* toward each impaired class that has not voted to accept the Plan.

To be fair and equitable with respect to a nonaccepting impaired class of secured claims, the plan must provide:

1. That the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and
2. That each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;
3. For the sale, subject to section 363(k) of this title, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (i) or (iii) of this subparagraph; or
4. For the realization by such holders of the indubitable equivalent of such claims.

11 U.S.C. § 1129(b)(2)(A). To be fair and equitable with respect to a nonaccepting impaired class of secured claims, the plan must provide:

1. Each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or
2. The holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except that in a case in which the debtor is an individual, the debtor may retain

property included in the estate under section 1115, subject to the requirements of subsection (a)(14) of this section.

*Id.* § 1129(b)(2)(B).

In the event there is a non-accepting class, the Plan Proponents intend to invoke the cram-down provisions of Section 1129(b).

The Plan Proponents believe that if the cramdown provisions of Section 1129(b) are invoked, the treatment of all impaired classes of creditors and interest holders does not discriminate unfairly and is fair and equitable with respect to each class of impaired creditors and interest holders.

**You should consult your own attorney if a *cram-down* confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.**

### 5.3 Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a Chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as EXHIBIT 3.

The Plan Proponents believe that if this case were to be converted to Chapter 7, it is likely that a trustee will auction the real property to raise funds; however, the Plan Proponents believe it is unlikely that an auction of the property will raise sufficient funds to pay all of the secured creditors in full. There would be sufficient funds to pay all amounts due to the ad valorem taxing entities in Class 1 and the secured lenders in Class 2. There would be funds remaining to pay the homebuilders in Class 3 a pro rata shares of their secured claims. No other creditors or interest holders would receive any payment from the Chapter 7 estates.

In a Chapter 7 case, there would also be a substantial risk that a secured lender could seek relief from the automatic stay to allow it to foreclose on their collateral pursuant to applicable nonbankruptcy law. A foreclosure would cut off the right of any other creditor to receive any payment from the estate. Therefore, a trustee would have a severely constrained time period—likely 30 to 60 days—to complete an auction of the property. Because of such constraints, any auctioneer will have limited opportunities to engage in pre-auction marketing of the property, and any auction will have limited success.

Except for 133 Lone Wolf, in any auction scenario, it is likely that there will be insufficient proceeds to pay all allowed, secured claims, leaving much of the claims of the homebuilders in Class 3 unpaid.

In the event secured creditors are able to foreclose on the property prior to an auction:

- a. The ad valorem taxing authorities would have to look to the purchaser of the property at any foreclosure for satisfaction of their claims;

- b. The homebuilders in Class 3 and all creditors in Classes 4 through 6 would receive \$0.00; and
- c. There would likely be insufficient funds to pay any potential outstanding quarterly fees to the U.S. Trustee, leaving a Chapter 7 Trustee's only compensation as the statutory compensation of \$60 carved out of filing fees under 11 U.S.C. § 330(b).

## **5.4 Feasibility**

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor(s) to the Debtors, unless such liquidation or reorganization is proposed in the Plan.

### **5.4.1 Ability to Initially Fund Plan**

The Plan Proponents believe that the Debtors will have enough cash on hand on the Effective Date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are attached to this disclosure statement as EXHIBIT 2.

As described in Section 3.3.1 (page 16), the Debtors have negotiated a loan package that will fund up to \$46.5 million to allow the Debtors to complete development of the aggregate of 2,109 residential lots in the seven individual projects. This initial funding will be used to:

1. Pay the indebtedness to the secured note holders in Class 2;<sup>25</sup> and
2. Bring accounts due to engineers current and complete pre-development engineering.

At least part of this initial funding is expected to be completed approximately 15 days after approval of the DIP Loan.<sup>26</sup> To the extent this initial funding is not complete by the Confirmation Date, it is expected to be completed on the Effective Date of this Plan.

### **5.4.2 Ability to Make Future Plan Payments and Operate Without Further Reorganization**

The Plan Proponents must also show that it will have enough cash over the life of the Plan to make the required Plan payments and operate the debtor's business. The Plan Proponents have provided projected financial information. Those projections are listed in EXHIBIT 2.

Additional development funding will be available through assessment bonds issued by the East Lake Houston Management District ("*the District*") and revenues from the water/sewer system leases.

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<sup>25</sup> See Section 3.3.2 on page 16.

<sup>26</sup> See Section 3.3.1 on page 16.

See Section 3.5.1.2 on page 29 for additional information regarding the issuance of the bonds and the long-term water/sewer system leases.

These sources of funding will provide sufficient funds to develop the first phase of all projects and complete the first phase of lot sales to the homebuilders.<sup>27</sup> The sale of the 950 lots in phase one is expected to occur within 9 to 12 months of the Effective Date, at which point homes in phase two will be in construction. In phase two, the District will be able to increase the special assessment based upon the number of lots in phase two. The phase two round of funding and phase one lot sales will reimburse Legalist for all costs advanced and provide funds to pay all secured and unsecured creditors. This is projected to occur by the 18<sup>th</sup> month following the Effective Date.

The result of these funding sources is the funding of 100 percent of the development costs of the seven projects.

**You should consult with your accountant or other financial advisor if you have any questions pertaining to these projections.**

## 5.5 Alternative Plans of Reorganization

The proposed Plan affords the holders of Claims the maximum potential for realization of the Debtor's assets and is in the best interest of the holders. If the Plan is not confirmed, theoretical alternatives include: (i) continuation of these Chapter 11 cases; (ii) alternative plans of reorganization; (iii) liquidation of the Debtors under Chapter 7; and (iv) dismissal of these Chapter 11 cases.

If the Plan is not confirmed, other parties in interest could attempt to propose a different plan or plans. However, such plans, might involve other forms of reorganization or liquidation of the Debtor's operations and assets. Any other alternative plans, however, would likely result in additional administrative expenses to the Estate and would provide little to no benefit.

## 6

### Effect of Confirmation of the Plan

#### 6.1 Discharge of the Debtor

On the Effective Date of the Plan, the Debtors shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the Effective Date, to the extent specified in 11 U.S.C. § 1141(d)(1)(A). However, the Debtors shall not be discharged from any debt imposed by the Plan. After the Effective Date of the Plan your claims against the Debtors will be limited to the debts imposed by the Plan.

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<sup>27</sup> See executory contracts in Section 3.4.1 on page 24.

## **6.2 Injunctions Related to Debtor**

Except as otherwise expressly provided in the Plan, all entities who have held, hold or may hold Claims against, or Interest in, the Debtors' Bankruptcy Estates and/or the Debtors will be permanently enjoined, on and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim, (b) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors or the Debtors' Bankruptcy Estates, (c) creating, perfecting or enforcing any encumbrance of any kind against the Debtors or the Debtors' Bankruptcy Estates on account of any such Claim, and (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors or the Debtors' Bankruptcy Estates on account of any such Claim; provided, however, notwithstanding any provision of the Plan to the contrary, each holder of a Claim shall be entitled to enforce his, her or its rights under the Plan and Plan Documents.

## **6.3 Injunctions Related to Debtors' Partners**

The partners comprising the interest holders in Class 7 are prohibited from making any changes to the management of the Debtors until all provisions of the Confirmed Plan have been satisfied.

If a distribution is made to a partner for the purpose of paying the partner's federal income taxes, the Debtors shall file a notice of such proposed distribution, including the amount of such proposed distribution and a copy of the applicable IRS Form K-1s with the Court and serve a copy on those creditors entitled to notice under Fed. R. Bankr. P. 9013 and applicable Bankruptcy Local Rules. If no objection is made within 14 days, such distribution shall be allowed without further Order of the Court.

## **6.4 Exculpation and Limitation of Liability**

No Debtor will have or incur any liability to any holder of a Claim or an Interest, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the solicitation of votes to accept the Plan, the Debtors' Bankruptcy Cases, or the pursuit of confirmation of the Plan, from the Petition Date to the Effective Date, except for their willful misconduct, gross negligence, actual fraud, or as provided by the Plan or the Plan Documents, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

No holder of a Claim or Interest, no other party in interest, none of their respective agents, employees, representatives, financial advisors, attorneys, or affiliates, and no successors or assigns of the foregoing, will have any right of action against the Debtors for any act or omission in connection with, relating to, or arising out of the solicitation of votes to accept the Plan, or the pursuit of confirmation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, from the Petition Date to the Effective Date, except for their willful misconduct, gross negligence, actual fraud, or as provided by the Plan or the Plan Documents.

## **6.5 Vesting of Assets**

To the extent not otherwise inconsistent with any other provision of this Plan, all property of the Estates shall vest with the respective Reorganized Debtors on the Effective Date of this Plan. However, if any, or all, of the Reorganized Debtors default in performing under the provisions of the Plan and any, or all, of the Chapter 11 cases is converted to Chapter 7, all property vested with the applicable Reorganized Debtor(s), all subsequently acquired property owned as of, or after, the conversion date, and all Retained Claims shall revest and constitute property of the Estate(s) in a case under Chapter 7.

## **6.6 Retained Claims**

Except as otherwise provided in the Plan, all causes of action that the Debtors and their Estates may hold against any person or entity shall be retained by the Reorganized Debtors and may be prosecuted after the Effective Date, to the extent necessary to pay all administrative expense claims, priority tax claims, and allowed claims in Classes 1 through 6.

## **6.7 Employment of professionals after the Effective Date**

Subject to the approval of the Court under the standards set forth in 11 U.S.C. § 327, the reorganized Debtors may employ professionals to assist them in effectuating the Confirmed Plan.

## **6.8 Modification of the Plan**

The Plan Proponents reserve the right to amend this Disclosure Statement and Plan at any time prior to Confirmation in accordance with 11 U.S.C. § 1127. However, the Court may require a new disclosure statement and/or re-voting on the Plan.

The Plan Proponents further reserve the right to modify the Plan after confirmation if:

- a. The Plan has not been *substantially consummated*, and
- b. The Court authorizes the proposed modifications after notice and a hearing.

*Substantial consummation* means: (a) transfer of all or substantially all of the property proposed by the plan to be transferred; (b) assumption by the debtor or by the successor to the debtor under the plan of the business or of the management of all or substantially all of the property dealt with by the plan; and (c) commencement of distribution under the plan. 11 U.S.C. § 1101(2).

## 6.9 Final Decree

Once (i) the estates have been fully administered, as provided in Fed. R. Bankr. P. 3022, and (ii) all DIP Loan obligations in Class 1 have been fully paid the Plan Proponents,<sup>28</sup> or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

## 6.10 Retention of Jurisdiction

Under 11 U.S.C. §§ 105(a) and 1142, the Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Case and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

- a. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim or Priority Claim or the resolution of any objections to the allowance or priority of Claims or Interest;
- b. Hear and determine all applications for compensation and reimbursement of expenses of Administrative Claims;
- c. Hear and determine all matters with respect to the assumption or rejection of any executory contract or unexpired lease to which a Debtor is a party or with respect to which a Debtor may be liable, including, if necessary, the liquidation or allowance of any Claims arising therefrom;
- d. Effectuate performance of and payments under the provisions of the Plan;
- e. Enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan, and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan, the Disclosure Statement or the Confirmation Order;
- f. Hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
- g. Consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

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<sup>28</sup> The DIP Credit Agreement and DIP Order specify that the case will not be administratively closed until the DIP Loan in Class 1 is paid in full.



- h. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with implementation, consummation, or enforcement of the Plan or the Confirmation Order;
- i. Enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;
- j. Hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order;
- k. Enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Debtor's Bankruptcy Case;
- l. Hear and determine matters concerning state, local, and federal taxes in accordance with 11 U.S.C. §§ 346, 505, and 1146;
- m. Hear and determine all matters related to the property of the Debtor's Bankruptcy Estate from and after the Consummation Date;
- n. Hear and determine such other matters as may be provided in the Confirmation Order and as may be authorized under the provisions of the Code; and
- o. Enter a final decree closing the Debtor's Bankruptcy Case.

7

**Miscellaneous Provisions**

**7.1 Definitions and Rules of Construction**

The definitions and rules of construction set forth in 11 U.S.C. §§ 101 and 102 shall apply when terms defined or construed in the Code are used in this Plan and they are supplemented by the following definitions.

***“Administrative Claim”*** or ***“Administrative Priority Claim”*** means a Claim that is entitled to priority under 11 U.S.C. §§ 326, 327, 330, 503(b)(1)–503(b)(9), 506(c), or 1103 asserted in this case, which Claims are described and treated in Section 3.2.1 above.

***“Administrative Claim Bar Date”*** means the date set by the Court by which administrative claims entitled to priority under 11 U.S.C. §§ 326, 327, 330, 503(b), 506(c), or 1103 asserted in this case, including substantial contribution claims, must be filed. Debtor will request that the Court set the Administrative Claim Bar Date by separate order of the Court.

***“Claim”*** means a claim against any of the Debtor's Bankruptcy Estate, whether or not asserted, as defined in 11 U.S.C. § 101(5).

“***Claims Bar Date***” means the deadline for creditors to file proofs of claims. In these jointly-administered cases, the applicable *Claims Bar Date* varies due to the different filing dates for the different cases. The *Claims Bar Date* for most creditors is set forth below:

- November 27, 2023 for claims against 50 Crosby Pines;
- February 5, 2024 for claims against 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag; and
- May 6, 2024 for claims against 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

The *Claims Bar Date* for governmental units is set forth below:

- January 29, 2024 for claims against 50 Crosby Pines;
- April 9, 2024 for claims against 48 Highland Shores, 53 Eagles Cove, and 171 Lone Stag; and
- July 8, 2024 for claims against 80 Crosby Terrace, 133 Lone Wolf, and 100 Tennessee Township.

“***Code***” means the United States Bankruptcy Code—Title 11 of the United States Code.

“***Confirmation***” means entry by the Bankruptcy Court of the Confirmation Order confirming this Plan.

“***Confirmation Date***” means the date of entry by the Bankruptcy Court of the Confirmation Order.

“***Confirmation Order***” means the order entered by the Bankruptcy Court confirming the Plan.

“***Effective Date***” means the date when the Confirmation Order becomes a Final Order, which is the first business day following the date that is 14 days after the entry of the Confirmation Order. If, however, a stay of the Confirmation Order is in effect on that date, the Effective Date will be the first business day after the date on which the stay expires or is otherwise terminated.

“***Final Order***” means an order or judgment of the Bankruptcy Court, as entered on the docket in the Debtor’s Bankruptcy Case, the operation or effect of which has not been stayed, reversed, or amended and as to which order or judgment (or any revision, modification, or amendment thereof) the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for review or rehearing was filed or, if filed, remains pending.

“***Impaired***” means, when used with reference to a Claim or Equity Interest, a Claim or Equity Interest that is impaired within the meaning of 11 U.S.C. § 1124.

“**Priority Claim**” means a Claim asserted under 11 U.S.C. §§ 507(a)(3)–507(a)(10) against the Debtor’s Bankruptcy Estate.

“**Secured Claim**” means a Claim, other than a setoff claim, that is secured by an encumbrance, or the proceeds of the sale of such property, in which a Debtor has an interest, to the extent of the value, as of the effective date or such later date as is established by the Bankruptcy Court, of such interest or encumbrance as determined by a Final Order of the Bankruptcy Court pursuant to 11 U.S.C. § 506 or as otherwise agreed upon in writing by a Debtor and the holder of such Claim.

“**Unimpaired Claim**” means a claim that is not an impaired claim.

“**Unsecured Claim**” shall mean a claim that is not entitled to priority under 11 U.S.C. §§ 507(a)(1)–507(a)(9) and includes deficiency claims of any of the secured creditors.

## **7.2 Severability**

If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

## **7.3 Binding effect**

The rights and obligations of any entity named or referred to in this Plan will be binding upon and will inure to the benefit of the successors or assigns of such entity.

## **7.4 Headings**

The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

## **7.5 Controlling effect**

Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Texas govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

# **8**

## **Conclusion & Recommendation**

The Plan Proponents believe that Confirmation of the Plan is desirable and in the best interests of all holders of Claims and Interests. The Plan Proponents therefore urge you to vote to accept the Plan and to evidence such acceptance by returning the Ballot(s) so they will be *received* by the Balloting Deadline.

DATED: January 11, 2024.

50 CROSBY PINES, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
50 Crosby Pines GP, LLC  
Its General Partner

48 HIGHLAND SHORES, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
48 Highland Shores GP, LLC  
Its General Partner

53 EAGLES COVE, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
53 Eagles Cove GP, LLC  
Its General Partner

171 LONE STAG, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
171 Lone Stag GP, LLC  
Its General Partner

80 CROSBY TERRACE, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
80 Crosby Terrace GP, LLC  
Its General Partner

133 LONE WOLF, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
133 Lone Wolf GP, LLC  
Its General Partner

100 TENNESSEE TOWNSHIP, LTD.

/s/ Joe Fogarty

By: Joe Fogarty, President,  
100 Tennessee Township GP, LLC  
Its General Partner

PENDERGRAFT & SIMON, LLP

/s/ William P. Haddock

Leonard H. Simon

Texas Bar No. 18387400

S.D. Tex. Adm. No. 8200

William P. Haddock

Texas Bar No. 00793875

S.D. Tex. Adm. No. 19637

2777 Allen Parkway, Suite 800

Houston, TX 77019

Tel. (713) 528-8555

Fax. (713) 868-1267

*Counsel for Debtors-in-Possession*

## **Index of Exhibits**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
1	Legalist Credit Agreement
2	Projections
3	Liquidation Analysis
4	Summaries of Real Property Appraisals

# Exhibit 1

*This exhibit will be supplemented*



# Exhibit 2

## CASE BUDGET Crosby Pines

## PROJE 50 Crosby pines

11/1/23

No.	DESCRIPTION	AMOUNT	Initial Funding & Disbursements						QTR Ending Mar-24	Construction Section 1 April
			Dec-23	January	February					
	<b>FUNDING SOURCE</b>									
	DIP Facility Funding Request	\$ 6,890,000.00								
	DIP Draws		\$ 2,535,503.01	\$ 213,000.00						
	Balance Available		\$ 4,354,496.99	\$ 4,141,496.99	\$ 4,141,496.99	\$ 4,141,496.99	\$ 4,141,496.99	\$ 4,141,496.99		\$ 4,141,496.99
	District Bond Issue	\$ 4,611,750.00								\$ 2,910,050.00
	Disbursement	\$ 4,611,750.00								\$ 2,910,050.00
	Balance Available	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>RECEIPTS</b>									
	DIP Funding	\$ 6,624,154.01	\$ 2,535,503.01	\$ 213,000.00						
	Builder	\$ 10,897,755.56	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	Lease Funding	\$ 4,456,283.00								
	District Funding	\$ 4,135,666.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,910,050.00
	<b>Total Receipts</b>	\$ 26,113,859.11	\$ 2,535,503.01	\$ 213,000.00	\$ -	\$ -	\$ -	\$ -		\$ 2,910,050.00
	<b>AGGREGATE RECEIPTS</b>		\$ 2,535,503.01	\$ 2,535,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01		\$ 5,658,553.01
	<b>SALES &amp; REVENUE</b>									
	\$/Lot	\$ 55,000.00								
	#Lots 45X120	211								
	Total Sales	\$ 12,143,082.20								\$ -
	Closing Costs	\$ 1,245,326.64								
	Net sales	\$ 10,897,755.56								
	Total Lots Sold	215								
	Land sale-Commercial Tract									
	Land sale-District	\$ 1,059,233.34								\$ -
	<b>SALES &amp; REVENUE</b>	\$ 11,956,988.90	\$ -	\$ -				\$ -		\$ -
	<b>AGGREGATE RECEIPTS +lot sales</b>	\$ 26,113,859.11	\$ 2,535,503.01	\$ 2,535,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01		\$ 5,658,553.01
	DIP Funding to Receipts Ratio	35%								
	<b>DISBURSEMENTS</b>									
	<b>Hard Costs</b>									
	Section 1 Lots 96	\$ 7,441,781.20								
	Section 2 Lots 119	\$ 3,570,697.54								
	215									
	Entry Monument	\$ 100,000.00								
	Landscaping and park	\$ 150,000.00								
	Contingency 10%	\$ 968,419.97								
	Draw & Review Fees	\$ 9,000.00								
	Engineering	\$ 1,380,000.00		\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		\$ 50,000.00
	<b>Total Development Hard Costs</b>	\$ 13,619,898.71	\$ -	\$ 50,000.00	\$ 51,000.00	\$ 50,000.00	\$ 53,500.00	\$ 50,000.00		\$ 50,000.00
	<b>Cumulative hard cost</b>		\$ -	\$ 50,000.00	\$ 101,000.00	\$ 151,000.00	\$ 204,500.00	\$ 254,500.00		\$ 254,500.00
	<b>Operations</b>									
	Development Fee	\$ 345,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00		\$ 15,000.00
	Insurance	\$ 10,000.00		\$ 5,000.00						
	Real Estate Taxes	\$ 60,000.00								
	Roll Back Taxes	\$ 120,000.00								
	Quarterly Disbursement Fees	\$ 176,769.85					\$ 876.00			
	Legal Fees	\$ 16,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00		\$ 1,000.00
	Contingency	\$ 115,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
	<b>Operations SubTotal</b>	\$ 842,769.85	\$ -	\$ 26,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,876.00	\$ 21,876.00		\$ 21,000.00
	Difference from Funding and Costs		\$ 76,000.00	\$ -	\$ 141,000.00	\$ 70,000.00	\$ (5,376.00)	\$ 2,833,674.00		
	<b>Pre-Petition Obligations</b>									
	Prepetition Loan Payoff - 1st Mortgage	\$ 1,939,817.00	\$ 1,939,817.00							
	Accounts Payable	\$ 448,050.00	\$ 448,050.00							
	Legal Fees and Closing Cost	\$ 71,636.01	\$ 71,636.01							
	<b>SubTotal</b>	\$ 2,459,503.01	\$ 2,459,503.01							\$ -
	Loan Principal Payment	\$ 6,624,154.01		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	Loan Interest Payment	\$ 1,201,254.79		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>Total Payment</b>	\$ 7,825,408.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>Total Disbursements</b>	\$ 24,747,580.37	\$ 2,459,503.01	\$ 76,000.00	\$ 72,000.00	\$ 71,000.00	\$ 75,376.00	\$ 71,000.00		\$ 71,000.00
	<b>Aggregate Disbursements</b>		\$ 2,459,503.01	\$ 2,535,503.01	\$ 2,607,503.01	\$ 2,678,503.01	\$ 2,753,879.01	\$ 2,824,879.01		
	<b>NET CASH FLOW BEFORE FINANCING ACTIVITIES &amp; CASH FLOW AVAILABLE</b>	\$ 1,366,278.73	\$ 76,000.00	\$ 2,459,503.01	\$ 2,676,503.01	\$ 2,677,503.01	\$ 2,673,127.01	\$ 2,833,674.00		
	<b>DIP Draw</b>		\$ 2,535,503.01	\$ -	\$ 213,000.00	\$ -	\$ -	\$ -		\$ -
	<b>CASH ACCOUNT</b>		\$ 76,000.00	\$ -	\$ 141,000.00	\$ 70,000.00	\$ (5,376.00)	\$ 2,833,674.00		
	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>									
1	Builder deposit									
	<b>Bank Loan Principal</b>	\$ 6,890,000.00	\$ 2,535,503.01	\$ 2,535,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01	\$ 2,748,503.01		\$ 2,748,503.01
	<b>Bank Interest</b> Accrued	\$ 1,201,254.79	\$ 128,075.00	\$ 51,086.19	\$ 51,735.41	\$ 54,256.63	\$ 54,946.14	\$ 55,644.41		\$ 55,644.41
	<b>Loan payments</b>	\$ 7,825,408.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>Loan balance</b>		\$ 2,663,578.01	\$ 2,714,664.20	\$ 2,979,399.61	\$ 3,033,656.23	\$ 3,088,602.38	\$ 3,144,246.79		\$ 3,144,246.79
	Funds available from Lot Sales		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	Payment from Bonds		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

Sum of Interest \$ 128,075.00 \$ 179,161.19 \$ 230,896.60 \$ 285,153.22 \$ 340,099.37 \$ 395,743.78





## CASE BUDGET Highland Shores

PROJE(Highland Shores

11/1/23

No.	DESCRIPTION	AMOUNT							
			Initial Funding & Disbursements	Dec-23	2024 January	February	QTR Ending Mar-24	April	May
	<b>FUNDING SOURCE</b>								
	DIP Facility Funding Request	\$ 3,600,000.00							
	DIP Draws		\$ 1,773,285.00		\$ 988,000.00				
	Balance Available		\$ 1,826,715.00	\$ 1,826,715.00	\$ 838,715.00	\$ 838,715.00	\$ 838,715.00	\$ 838,715.00	\$ 838,715.00
	District Bond Issue Disbursement	\$ 5,065,125.00					\$ -	\$ -	\$ -
	Balance Available	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>RECEIPTS</b>								
	DIP Funding	\$ 3,554,285.00	\$ 1,773,285.00		\$ 988,000.00				
	Builder	\$ 12,299,748.32							
	Lease Funding	\$ 7,360,000.00							
	District Funding	\$ 1,562,125.00							
	<b>Total Receipts</b>	\$ 24,776,158.32	\$ 1,773,285.00	\$ -	\$ 988,000.00	\$ -	\$ -	\$ -	\$ -
	<b>Aggregate Receipts</b>		\$ 1,773,285.00	\$ 1,773,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00
	<b>SALES &amp; REVENUE</b>								
	\$/Lot	\$ 75,000.00							
	#Lots 60x120	74							
	\$/Lot	\$ 62,500.00							
	\$/Lot 60' x 120'								
	#Lots 50x120	119							
	#Lots 60' x 120'								
	Total Sales	\$ 13,469,787.06						\$ -	
	Closing Costs	\$ 1,170,038.74							
	Net sales	\$ 12,299,748.32							
	Land sale-District	\$ 630,000.00						\$ -	
	<b>SALES &amp; REVENUE</b>	\$ 12,929,748.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>AGGREGATE RECEIPTS + lot sales</b>	\$ 24,776,158.32	\$ 1,773,285.00	\$ 1,773,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00
	DIP Funding to Receipts Ratio	17%							
	<b>DISBURSEMENTS</b>								
	<b>Hard Costs</b>								
	Section 1 Lots 193	\$ 7,816,500.00							
	WTP & WWTP	\$ 3,500,000.00							
	Entry Monument	\$ 100,000.00							
	Landscaping and park	\$ 300,000.00							
	Contingency 10%	\$ 1,171,650.00							
	Draw & Review Fees								\$ 3,500.00
	Engineering	\$ 1,140,000.00		\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
	<b>Total Development Hard Costs</b>	\$ 14,031,650.00	\$ -	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 123,500.00
	<b>Cumulative hard cost</b>		\$ -	\$ 120,000.00	\$ 240,000.00	\$ 360,000.00	\$ 480,000.00	\$ 600,000.00	\$ 723,500.00
	<b>Operations</b>								
	Development Fee	\$ 420,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance	\$ 10,000.00		\$ 5,000.00					
	Real Estate Taxes	\$ 60,000.00							
	Roll Back Taxes	\$ 80,000.00							
	Quarterly Disbursement Fees	\$ 146,040.39					\$ 1,712.00		
	Legal Fees	\$ 15,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency	\$ 140,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	<b>Operations SubTotal</b>	\$ 871,040.39	\$ -	\$ 26,000.00	\$ 21,000.00	\$ 21,000.00	\$ 22,712.00	\$ 21,000.00	\$ 21,000.00
	Difference from Funding and Costs		\$ 146,000.00	\$ -	\$ 847,000.00	\$ 706,000.00	\$ 563,288.00	\$ 422,288.00	\$ 277,788.00
	<b>Pre-Petition Obligations</b>								
	Prepetition Loan Payoff - 1st Mortgage	\$ 1,539,004.00	\$ 1,539,004.00						
	Accounts Payable	\$ 40,884.00	\$ 40,884.00						
	Legal Fees and closing cost	\$ 47,397.00	\$ 47,397.00						
	<b>SubTotal</b>	\$ 1,627,285.00	\$ 1,627,285.00						
	Loan Principal Payment	\$ 3,554,285.00							
	Loan Interest Payment	\$ 697,978.82							
	<b>Total Payment</b>	\$ 4,252,263.82	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Total Disbursements</b>	\$ 20,782,239.21	\$ 1,627,285.00	\$ 146,000.00	\$ 141,000.00	\$ 141,000.00	\$ 142,712.00	\$ 141,000.00	\$ 144,500.00
	<b>Aggregate Disbursements</b>		\$ 1,627,285.00	\$ 1,773,285.00	\$ 1,914,285.00	\$ 2,055,285.00	\$ 2,197,997.00	\$ 2,338,997.00	\$ 2,483,497.00
	<b>NET CASH FLOW BEFORE FINANCING ACTIVITIES &amp; CASH FLOW AVAILABLE</b>	\$ 3,993,919.11	\$ 146,000.00	\$ -	\$ 847,000.00	\$ 706,000.00	\$ 563,288.00	\$ 422,288.00	\$ 277,788.00
	<b>DIP Draw</b>		\$ 1,773,285.00	\$ -	\$ 988,000.00	\$ -	\$ -	\$ -	\$ -
	<b>CASH ACCOUNT</b>		\$ 146,000.00	\$ -	\$ 847,000.00	\$ 706,000.00	\$ 563,288.00	\$ 422,288.00	\$ 277,788.00
	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>								
	Builder deposits								
	Bank Loan Principal	\$ 1,627,285.00	\$ 1,773,285.00	\$ 1,773,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00	\$ 2,761,285.00
	Bank Interest	\$ 697,978.82	\$ 70,500.00	\$ 30,662.18	\$ 31,051.85	\$ 40,091.46	\$ 40,600.96	\$ 41,116.93	\$ 41,639.46
	Loan payments	\$ 4,252,263.82							
	Loan balance		\$ 1,843,785.00	\$ 1,674,447.18	\$ 2,893,499.03	\$ 2,833,590.49	\$ 2,874,191.45	\$ 3,015,308.38	\$ 3,056,947.84
	Funds available from Lot Sales		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Payment from Bonds		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Interest \$ 70,500.00 \$ 101,162.18 \$ 132,214.03 \$ 172,305.49 \$ 212,906.45 \$ 254,023.38 \$ 295,662.84

[illegible]



\$ - \$ - \$ -

INTEREST  
LOAN PAYMENTS

1715254.515  
3427943.89  
1253473.475  
1078736.557  
1235886.53  
2647580.05



CASE BUDGET Eagles Cove

PROJECT(Eagles Cove

11/1/23

No.	DESCRIPTION	AMOUNT						
			Initial Funding & Disbursements	Dec-23	2024 January	February	QTR Ending Mar-24	April
	<b>FUNDING SOURCE</b>							
	DIP Facility Funding Request	\$ 6,000,000.00						
	DIP Draws		\$ 1,771,391.00		\$ 513,000.00			
	Balance Available		\$ 4,228,609.00	\$ 4,228,609.00	\$ 3,715,609.00	\$ 3,715,609.00	\$ 3,715,609.00	\$ 3,715,609.00
	District Bond Issue	\$ 3,457,013.08						
	Disbursement	\$ 3,457,013.08						
	Balance Available	\$ -						
	<b>RECEIPTS</b>							
	DIP Funding	\$ 4,374,391.00	\$ 1,771,391.00		\$ 513,000.00			
	Builder	\$ 9,699,904.39						
	Lease Funding	\$ 8,120,000.00						
	District Funding	\$ 5,393,652.21						
	<b>Total Receipts</b>	\$ 27,587,947.60	\$ 1,771,391.00	\$ -	\$ 513,000.00	\$ -	\$ -	\$ -
	<b>Aggregate Receipts</b>		\$ 1,771,391.00	\$ 1,771,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00
	DIP Funding to Receipts Ratio	26%						
	<b>SALES &amp; REVENUE</b>							
	S/Lot	\$ 46,000.00						
	S/Lot 60' x 120'							
	#Lots 40X120	231						
	#Lots 60' x 120'							
	Total Sales	\$ 10,997,229.99						\$ -
	Closing Costs	\$ 1,297,325.60						
	Net sales	\$ 9,699,904.39						
	Land sale-District	\$ 630,000.00						\$ -
	<b>SALES &amp; REVENUE</b>	\$ 10,329,904.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>AGGREGATE RECEIPTS</b>	\$ 27,587,947.60	\$ 1,771,391.00	\$ 1,771,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00
	<b>DISBURSEMENTS</b>							
	<b>Hard Costs</b>							
	Section 1 Lots 116	\$ 4,698,000.00						
	Section 2 Lots 115	\$ 4,657,500.00						
	WTP & WWTP	\$ 3,500,000.00						
	Entry Monument	\$ 100,000.00						
	Landscaping and park	\$ 300,000.00						
	Conting 10%	\$ 1,325,350.00						
	Draw & Review Fees							
	Engineering	\$ 1,235,000.00		\$ 125,000.00	\$ 50,000.00	\$ 50,000.00	\$ 40,000.00	\$ 40,000.00
	<b>Total Development Hard Costs</b>	\$ 15,815,850.00	\$ -	\$ 125,000.00	\$ 50,000.00	\$ 50,000.00	\$ 40,000.00	\$ 40,000.00
	<b>Cumulative hard cost</b>		\$ -	\$ 125,000.00	\$ 175,000.00	\$ 225,000.00	\$ 265,000.00	\$ 305,000.00
	<b>Operations</b>							
	Development Fee	\$ 435,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance	\$ 15,000.00		\$ 5,000.00				
	Real Estate Taxes	\$ 120,000.00						
	Roll Back Taxes	\$ 80,000.00						
	Quarterly Disbursement Fees	\$ 173,663.05					\$ 1,172.00	
	Legal Fees	\$ 18,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency	\$ 115,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	<b>Operations SubTotal</b>	\$ 956,663.05	\$ -	\$ 26,000.00	\$ 21,000.00	\$ 21,000.00	\$ 22,172.00	\$ 21,000.00
	Difference from Funding and Costs		\$ 151,000.00	\$ -	\$ 442,000.00	\$ 371,000.00	\$ 308,828.00	\$ 247,828.00
	<b>Pre-Petition Obligations</b>							
	Prepetition Loan Payoff - 1st Mortgage	\$ 1,469,323.00	\$ 1,469,323.00					
	Accounts Payable	\$ 103,872.00	\$ 103,872.00					
	Legal Fees and closing cost	\$ 47,196.00	\$ 47,196.00					
	<b>SubTotal</b>	\$ 1,620,391.00	\$ 1,620,391.00					\$ -
	Loan Principal Payment			\$ -	\$ -	\$ -	\$ -	\$ -
	Loan Interest Payment	\$ 998,591.45		\$ -	\$ -	\$ -	\$ -	\$ -
	Total Payment	\$ 998,591.45	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Total Disbursements</b>	\$ 19,391,495.50	\$ 1,620,391.00	\$ 151,000.00	\$ 71,000.00	\$ 71,000.00	\$ 62,172.00	\$ 61,000.00
	<b>Aggregate Disbursements</b>		\$ 1,620,391.00	\$ 1,771,391.00	\$ 1,842,391.00	\$ 1,913,391.00	\$ 1,975,563.00	\$ 2,036,563.00
	<b>NET CASH FLOW BEFORE FINANCING ACTIVITIES &amp; CASH FLOW AVAILABLE</b>	\$ 8,196,452.11	\$ 151,000.00	\$ -	\$ 442,000.00	\$ 371,000.00	\$ 308,828.00	\$ 247,828.00
	<b>DIP Draw</b>		\$ 1,771,391.00	\$ -	\$ 513,000.00	\$ -	\$ -	\$ -
	<b>CASH ACCOUNT</b>		\$ 151,000.00	\$ -	\$ 442,000.00	\$ 371,000.00	\$ 308,828.00	\$ 247,828.00
	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>							
1	Builder deposit							
	Bank Loan Principal	\$ 1,620,391.00	\$ 1,771,391.00	\$ 1,771,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00	\$ 2,284,391.00
	Bank Interest	\$ 998,591.45	\$ 112,500.00	\$ 40,679.36	\$ 41,196.33	\$ 46,208.61	\$ 46,795.85	\$ 47,390.54
	Loan payments	\$ 5,372,982.45						
	Loan balance		\$ 1,883,891.00	\$ 1,924,570.36	\$ 2,478,766.68	\$ 2,524,975.30	\$ 2,571,771.14	\$ 2,619,161.69
	Funds available from Lot Sales							
	Payment from Bonds			\$ -	\$ -	\$ -	\$ -	\$ -

\$ 112,500.00 \$ 153,179.36 \$ 194,375.68 \$ 240,584.30 \$ 287,380.14 \$ 334,770.69



23

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\$

3000

INTEREST  
LOAN PAYMENTS  
LOT SALES

1715255  
3427944  
1253473  
1078737  
1235887  
2647580

CASE BUDGET Lone Stag

PROJECT Lone Stag

11/1/23

Construction  
Section 1 Start

No.	DESCRIPTION	AMOUNT							
			Initial Funding & Disbursements	Dec-23	January	February	QTR Ending Mar-24	Apr-24	May-24
	FUNDING SOURCE								
	DIP Facility Funding Request	\$ 8,500,000.00							
	DIP Draws		\$ 2,980,095.00		\$ 559,000.00				
	Balance Available		\$ 5,519,905.00	\$ 5,519,905.00	\$ 4,960,905.00	\$ 4,960,905.00	\$ 4,960,905.00	\$ 4,960,905.00	\$ 4,960,905.00
	District Bond Issue	\$ 16,001,830.00							\$ 3,076,515.00
	Disbursement	\$ 16,001,830.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,076,515.00
	Balance Available	\$ 4,001,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	RECEIPTS								
	DIP Funding	\$ 8,474,095.00	\$ 2,980,095.00	\$ -	\$ 559,000.00	\$ -	\$ -	\$ -	\$ -
	Builder	\$ 16,942,472.31			\$ -	\$ -	\$ -	\$ -	\$ -
	Lease Funding	\$ 3,500,000.00							
	District Funding	\$ 12,338,480.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,076,515.00
	Total Funding	\$ 41,255,047.82	\$ 2,980,095.00	\$ -	\$ 559,000.00	\$ -	\$ -	\$ -	\$ 3,076,515.00
	Aggregate Funding		\$ 2,980,095.00	\$ 2,980,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 6,615,610.00
	SALES & REVENUE								
	\$/Lot 60' x 120'	\$ 68,000.00							
		45							
	\$/Lot 50X120	\$ 56,500.00							
		129							
		\$ 45,000.00							
	#Lots 40X120	144							
	Total Sales	\$ 17,922,165.62							
	Closing Costs	\$ (979,693.31)				\$ -			
	Net sales	\$ 16,942,472.31							
	Total Lots Sold	1050				\$ -			
	Land Sale to District	\$ 880,000.00				\$ -			
	SALES & REVENUE	\$ 15,060,863.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	AGGREGATE RECEIPTS	\$ 41,255,047.82	\$ -	\$ -	\$ 559,000.00	\$ 559,000.00	\$ 559,000.00	\$ 559,000.00	\$ 3,635,515.00
	DIP Funding to Receipts Ratio	26%							
	DISBURSEMENTS								
	Hard Costs								
	Section 1 Lots 151	\$ 6,115,500.00							
	Section 2 Lots 151	\$ 6,115,500.00							
	Section 3 Lots 151	\$ 6,115,500.00							
	WTP & WWTP	\$ 3,500,000.00							
	Entry Monument	\$ 250,000.00							
	Landscaping and park	\$ 600,000.00							
	Contingenc 10%	\$ 2,219,650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Draw & Review Fees						\$ 4,000.00		
	Engineering	\$ 1,410,000.00		\$ 30,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
	Total Development Hard Costs	\$ 26,326,150.00	\$ -	\$ 30,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 64,000.00	\$ 60,000.00
	Cumulative hard cost		\$ -	\$ 30,000.00	\$ 90,000.00	\$ 150,000.00	\$ 210,000.00	\$ 274,000.00	\$ 334,000.00
	Operations								
	Development Fee	\$ 360,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance	\$ 10,000.00		\$ 5,000.00					
	Real Estate Taxes	\$ 40,000.00							
	Roll Back Taxes	\$ 120,000.00							
		\$ -							
	Quarterly Disbursement Fees	\$ 129,379.59					\$ 852.00		
	Legal Fees	\$ 17,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency	\$ 115,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	Operations SubTotal	\$ 791,379.59	\$ -	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,852.00	\$ 21,000.00	\$ 21,000.00
	Pre-Petition Obligations								
	Prepetition Loan Payoff - 1st Mortgage	\$ 2,733,197.00	\$ 2,733,197.00						
	Accounts Payable	\$ 113,902.00	\$ 113,902.00						
	Legal Fees and closing cost	\$ 81,996.00	\$ 81,996.00						
	SubTotal	\$ 2,929,095.00	\$ 2,929,095.00						
	Difference from Funding and Costs		\$ 51,000.00	\$ -	\$ 478,000.00	\$ 397,000.00	\$ 315,148.00	\$ 230,148.00	\$ 3,225,663.00
					\$ -				
	Loan Principal Payment	\$ 8,474,095.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Loan Interest Payment	\$ 1,499,736.34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Payment	\$ 9,973,831.34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Disbursements	\$ 40,020,455.93	\$ 2,929,095.00	\$ 51,000.00	\$ 81,000.00	\$ 81,000.00	\$ 81,852.00	\$ 85,000.00	\$ 81,000.00
	Aggregate Disbursements	\$ 30,046,624.59	\$ 2,929,095.00	\$ 2,980,095.00	\$ 3,061,095.00	\$ 3,142,095.00	\$ 3,223,947.00	\$ 3,308,947.00	\$ 3,389,947.00
	NET CASH FLOW BEFORE FINANCING ACTIVITIES & CASH FLOW AVAILABLE	\$ 11,208,423.23	\$ 51,000.00	\$ -	\$ 478,000.00	\$ 397,000.00	\$ 315,148.00	\$ 230,148.00	\$ 3,225,663.00
	DIP Draw		\$ 2,980,095.00	\$ -	\$ 559,000.00	\$ -	\$ -	\$ -	\$ -
	CASH ACCOUNT		\$ 51,000.00	\$ -	\$ 478,000.00	\$ 397,000.00	\$ 315,148.00	\$ 230,148.00	\$ 3,225,663.00
	CASH FLOW FROM FINANCING ACTIVITIES:								
1	Builder deposit								
	Bank loan- Principal	\$ 2,929,095.00	\$ 2,980,095.00	\$ 2,980,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 3,539,095.00	\$ 3,539,095.00
	Bank Interest Accrued	\$ 1,875,156.36	\$ 156,250.00	\$ 39,857.72	\$ 62,213.87	\$ 67,895.75	\$ 68,758.59	\$ 69,632.40	\$ 70,517.31
	Loan payments	\$ 15,060,863.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Loan balance		\$ 3,136,345.00	\$ 3,176,202.72	\$ 3,797,416.58	\$ 3,865,312.34	\$ 3,934,070.93	\$ 4,003,703.33	\$ 4,074,220.64
	Funds available from Lot Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Payment from Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$ 156,250.00 \$ 196,107.72 \$ 258,321.58 \$ 326,217.34 \$ 394,975.93 \$ 464,608.33 \$ 535,125.64

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\$ 4,411.76

100

1235886.5

2647580

CASE BUDGET Crosby terrace

PROJECT Crosby Terrace  
11/1/24Construction  
Seton 1 Starts

No.	DESCRIPTION	AMOUNT										
			Initial Funding & Disbursements	Dec-23	2024 January	February	QTR Ending March	April	May	QTR Ending June	July	August
<b>FUNDING SOURCE</b>												
	DIP Facility Funding Request	\$ 10,434,000.00										
	DIP Draws	\$ 2,289,903.00	\$ 2,289,903.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00
	Balance Available	\$ 8,144,097.00	\$ 8,144,097.00	\$ 8,144,097.00	\$ 7,931,097.00	\$ 7,718,097.00	\$ 7,505,097.00	\$ 7,292,097.00	\$ 7,079,097.00	\$ 6,866,097.00	\$ 6,653,097.00	\$ 6,440,097.00
	District Bond Issue	\$ 11,818,000.00										
	Disbursement	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00	\$ 4,113,200.00
	Balance Available	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00	\$ 7,704,800.00
<b>RECEIPTS</b>												
	DIP Funding	\$ 6,792,903.00	\$ 2,289,903.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00
	Builder	\$ 16,066,969.93										
	WTP & WWTP Leases	\$ 9,808,715.40										
	District Funding	\$ 16,748,885.82										
	Total Receipts	\$ 46,417,471.05	\$ 2,289,903.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00	\$ 213,000.00
	Aggregate Funding	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,289,903.00
	DIP Funding to Receipts Ratio	25%										
<b>SALES &amp; REVENUE</b>												
	50' Lot S/Lot	\$ 50,000.00	\$ 9,333.33									
	Section 1	47	158									
	40' Lot S/Lot	Section 2 40X120	76	45,000.00								
	# Lots Section 1	89	214									
	# Lots Section 2	89										
	Total Sales	Section 3	30	18,186,333.66								
	Closing Costs			(1,799,366.67)								
	Net sales			16,066,966.99								
	Total Lot Sale			16,066,966.99								
	Land sale District			1,024,793.82								
	SALES & REVENUE			17,191,760.85								
	AGGREGATE RECEIPTS			46,417,471.05								
	DISBURSEMENTS			2,289,903.00								
<b>Hard Costs</b>												
	Section 1	Lots 136	\$ 8,192,000.00									
	Section 2	Lots 136	\$ 4,716,000.00									
	Section 3	Lots 86	\$ 2,789,516.69									
	WTP & WWTP		\$ 3,474,500.00									
	Entry Monument		100,000.00									
	Landscaping and park		450,000.00									
	Contingency 10%		1,972,206.67									
	Draw & Review Fees											
	Engineering		\$ 2,412,000.00									
	Total Development Hard Costs		\$ 24,106,273.36									
	Cumulative hard cost			\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
	Operations			\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Development Fee		\$ 510,000.00									
	Insurance		10,000.00									
	New Estate Taxes		10,000.00									
	Roll Back Taxes		100,000.00									
	Quarterly Disbursement Fees		239,198.99									
	Legal Fees		17,000.00									
	Contingency		5,000.00									
	SubTotal		\$ 1,196,198.99									
	Difference from Funding and Costs			\$ 76,000.00	\$ 142,000.00	\$ 66,800.00	\$ 4,108,111.20	\$ 2,642,085.28	\$ 925,708.11	\$ 3,460,019.98	\$ 1,743,642.81	\$ 27,265.64
	Pre-Petition Obligations											
	Prepetition Loan Payoff - 1st Mortgage		\$ 1,908,000.00	\$ 1,908,000.00								
	Accounts Payable		\$ 249,420.00	\$ 249,420.00								
	Legal Fees and closing cost		\$ 64,483.00	\$ 64,483.00								
	SubTotal		\$ 2,221,903.00	\$ 2,221,903.00								
	Loan Principal Payment		\$ 6,792,903.00									
	Loan Interest Payment		\$ 1,596,777.72									
	Total Payment		\$ 8,389,680.72									
	Total Disbursements		\$ 35,906,056.07	\$ 2,213,903.00	\$ 76,000.00	\$ 71,000.00	\$ 75,200.00	\$ 71,888.80	\$ 1,943,240.00	\$ 2,898,741.25	\$ 2,938,052.21	\$ 2,898,741.25
	Aggregate Disbursements		\$ 2,213,903.00	\$ 2,289,903.00	\$ 2,360,903.00	\$ 2,436,103.00	\$ 2,507,991.80	\$ 4,461,231.80	\$ 7,349,975.05	\$ 10,286,025.26	\$ 13,186,766.51	\$ 16,992,227.76
<b>NET CASH FLOW BEFORE FINANCING ACTIVITIES &amp; CASH FLOW AVAILABLE</b>												
	DIP Draw		\$ 2,213,903.00	\$ -	\$ 213,000.00	\$ -	\$ -	\$ -	\$ -	\$ 4,290,000.00	\$ -	\$ -
	CASH ACCOUNT		\$ 76,000.00	\$ -	\$ 142,000.00	\$ 66,800.00	\$ 4,108,111.20	\$ 2,642,085.28	\$ 925,708.11	\$ 3,460,019.98	\$ 1,743,642.81	\$ 27,265.64
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>												
	Builder deposit											
	Bank Loan Principle		\$ 10,434,000.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 6,792,903.00	\$ 6,792,903.00	\$ 5,167,829.13
	Bank Interest	Accrued	\$ 1,596,777.72	\$ 190,095.00	\$ 63,753.69	\$ 64,563.90	\$ 67,249.14	\$ 68,102.76	\$ 69,969.23	\$ 69,844.70	\$ 70,732.31	\$ 109,168.70
	Loan payments		\$ 8,389,680.72	\$ 2,479,998.00	\$ 2,543,757.69	\$ 2,821,315.88	\$ 2,868,583.73	\$ 2,956,696.49	\$ 3,026,834.72	\$ 3,085,479.42	\$ 3,146,211.73	\$ 3,167,829.13
	Loan balance											
	Funds available from Lot Sales											
	Payment from Bonds											

Sum of Interest \$ 190,095.00 \$ 253,848.89 \$ 318,412.59 \$ 385,860.73 \$ 453,763.49 \$ 522,731.72 \$ 592,576.42 \$ 663,308.73 \$ 772,477.43 \$ 881,848.13



QTR Ending September	October	November	QTR Ending December	2025 January	February	QTR Ending March	April	18th Month May	QTR Ending June	July	August	QTR Ending September	2025 October
\$ 6,147,817.00	\$ 6,147,817.00	\$ 6,147,817.00	\$ 7,816,298.00	\$ 5,716,298.00	\$ 8,716,298.00	\$ 10,442,337.13	\$ 10,442,337.13						
\$	\$ 1,831,960.00			\$ 4,855,382.00									\$ 1,217,580.00
\$	\$ 1,831,960.00			\$ 4,855,382.00									\$ 1,217,580.00
\$			\$ 1,668,481.00	\$ 3,452,256.40	\$ 4,812,127.40	\$ 1,882,849.53			\$ 1,754,242.54			\$ 1,762,833.48	
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40		\$ 576,000.00	\$ 1,351,000.00	\$ 440,000.00		\$ 2,514,000.00	\$ 1,217,580.00
\$	\$ 1,831,960.00	\$ 156,775.40	\$ 156,775.40	\$ 156,775.40	\$ 156								

1715254.515  
3427943.89  
1253473.475  
1078736.557  
1235886.53  
2647580.05

## CASE BUDGET Crosby terrace

PROJECT Crosby Terrace  
11/1/24Construction  
Seton 1 Starts

No.	DESCRIPTION	AMOUNT	CASH FLOW STATEMENT									
			Initial Funding & Disbursements	Dec-23	2024 January	February	QTR Ending March	April	May	QTR Ending June	July	August
FUNDING SOURCE												
	DIP Facility Funding Request	\$ 10,434,000.00										
	DIP Draws	\$ 2,289,903.00	\$ 2,289,903.00		\$ 213,000.00					\$ 4,290,000.00		
	Balance Available	\$ 8,144,097.00	\$ 8,144,097.00		\$ 7,931,097.00	\$ 7,931,097.00	\$ 7,931,097.00	\$ 7,931,097.00	\$ 7,931,097.00	\$ 3,641,097.00	\$ 3,641,097.00	\$ 6,147,817.00
	District Bond Issue	\$ 11,818,092.00										
	Disbursement	\$ 11,818,092.00					\$ 4,113,200.00					
	Balance Available						\$ 4,113,200.00					
RECEIPTS												
	DIP Funding	\$ 6,792,903.00	\$ 2,289,903.00		\$ 213,000.00					\$ 4,290,000.00		
	Builder	\$ 16,066,966.83										\$ 2,506,720.00
	WTP & WWTP Leases	\$ 9,807,115.40						\$ 477,214.08	\$ 1,182,364.08	\$ 1,182,364.08	\$ 1,182,364.08	\$ 1,182,364.08
	District Funding	\$ 16,748,885.82					\$ 4,113,200.00					
	Total Receipts	\$ 46,417,471.05	\$ 2,289,903.00		\$ 213,000.00	\$ 2,502,903.00	\$ 4,113,200.00	\$ 477,214.08	\$ 1,182,364.08	\$ 5,472,364.08	\$ 1,182,364.08	\$ 3,689,084.08
	Aggregate funding		\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,902,903.00	\$ 2,502,903.00	\$ 6,616,103.00	\$ 7,093,317.08	\$ 8,275,681.16	\$ 13,748,048.24	\$ 14,930,409.32	\$ 18,619,493.40
	DIP Funding to Receipts Ratio	25%										
SALES & REVENUE												
	50' Lots S/Lot	50X120	\$ 56,000.00	\$ 9,333.33								\$ 51,500.00
	Section 1	47	158									30
	40' Lots S/Lot	Section 2 40X120	76	\$ 45,000.00								\$ 41,500.00
	#Lots Section 1	89	214									30
	#Lots Section 2	82										
	Total Sales	Sec 3 39	\$ 16,168,533.66									\$ 2,790,000.00
	Closing Costs		\$ (1,799,366.67)									\$ (283,280.00)
	Net sales		\$ 16,066,966.99									\$ 2,506,720.00
	Total Lots Sold		226									60
	Land sale-District		\$ 1,024,793.82									
	SALES & REVENUE		\$ 17,191,760.65									\$ 2,506,720.00
	AGGREGATE RECEIPTS		\$ 46,417,471.05	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,902,903.00	\$ 2,502,903.00	\$ 6,616,103.00	\$ 7,093,317.08	\$ 8,275,681.16	\$ 13,748,048.24	\$ 14,930,409.32
	DISBURSEMENTS											
	Hard Costs											
	Section 1	Lots 136	\$ 8,192,000.00						\$ 1,638,400.00	\$ 1,638,400.00	\$ 1,638,400.00	\$ 1,638,400.00
	Section 2	Lots 136	\$ 4,716,000.00									
	Section 3	Lots 86	\$ 2,789,516.69									
	WTP & WWTP		\$ 3,474,350.00							\$ 868,837.50	\$ 868,837.50	\$ 868,837.50
	Entry Monument		100,000.00									
	Landscaping and park		450,000.00									
	Contingency 10%		\$ 1,972,206.67									
	Draw & Review Fees					\$ 4,200.00						
	Engineering		\$ 2,412,000.00		\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
	Total Development Hard Costs		\$ 24,106,273.36	\$ 50,000.00	\$ 50,000.00	\$ 54,200.00	\$ 50,000.00	\$ 1,922,240.00	\$ 2,877,741.25	\$ 2,877,741.25	\$ 2,877,741.25	\$ 2,877,741.25
	Cumulative hard cost			\$ 50,000.00	\$ 100,000.00	\$ 154,200.00	\$ 204,200.00	\$ 2,126,440.00	\$ 5,004,181.25	\$ 7,881,922.50	\$ 10,759,663.75	\$ 10,759,663.75
	Operations											
	Development Fee		\$ 510,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance		10,000.00	\$ 5,000.00								
	New Estate Taxes		10,000.00									
	Roll Back Taxes		100,000.00									
	Quarterly Disbursement Fees		239,198.99									
	Legal Fees		\$ 17,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency		\$ 170,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	SubTotal		\$ 1,196,198.99	\$ 26,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,888.80	\$ 21,000.00	\$ 21,000.00	\$ 60,310.96	\$ 21,000.00	\$ 21,000.00
	Difference from Funding and Costs			\$ 76,000.00	\$ 142,000.00	\$ 66,800.00	\$ 4,108,111.20	\$ 2,642,085.28	\$ 925,708.11	\$ 3,460,019.98	\$ 1,743,642.81	\$ 27,265.64
	Pre-Petition Obligations											
	Prepetition Loan Payoff - 1st Mortgage		\$ 1,908,000.00	\$ 1,900,000.00								
	Accounts Payable		\$ 249,420.00	\$ 249,420.00								
	Legal Fees and closing cost		\$ 64,483.00	\$ 64,483.00								
	SubTotal		\$ 2,221,903.00	\$ 2,213,903.00								
	Loan Principal Payment		\$ 6,792,903.00									\$ 1,625,073.87
	Loan Interest Payment		\$ 1,596,777.72									\$ 881,646.13
	Total Payment		\$ 8,389,680.72									\$ 2,506,720.00
	Total Disbursements		\$ 35,906,056.07	\$ 2,213,903.00	\$ 76,000.00	\$ 71,000.00	\$ 75,290.00	\$ 71,888.80	\$ 1,943,240.00	\$ 2,898,741.25	\$ 2,938,052.21	\$ 5,405,461.25
	Aggregate Disbursements			\$ 2,213,903.00	\$ 2,289,903.00	\$ 2,360,903.00	\$ 2,436,103.00	\$ 2,507,991.80	\$ 4,461,231.80	\$ 7,349,975.05	\$ 10,288,025.26	\$ 13,186,766.51
	NET CASH FLOW BEFORE FINANCING ACTIVITIES & CASH FLOW AVAILABLE		\$ 10,511,414.98	\$ 76,000.00	\$ -	\$ 142,000.00	\$ 66,800.00	\$ 4,108,111.20	\$ 2,642,085.28	\$ 925,708.11	\$ 3,460,019.98	\$ 1,743,642.81
	DIP Draw			\$ 2,213,903.00	\$ -	\$ 213,000.00	\$ -	\$ -	\$ -	\$ 4,290,000.00	\$ -	\$ -
	CASH ACCOUNT			\$ 76,000.00	\$ -	\$ 142,000.00	\$ 66,800.00	\$ 4,108,111.20	\$ 2,642,085.28	\$ 925,708.11	\$ 3,460,019.98	\$ 1,743,642.81
	CASH FLOW FROM FINANCING ACTIVITIES											
	Builder deposit											
	Bank Loan Principle		\$ 10,434,000.00	\$ 2,289,903.00	\$ 2,289,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 2,502,903.00	\$ 6,792,903.00	\$ 6,792,903.00	\$ 5,167,829.13
	Bank Interest	Accrued	\$ 1,596,777.72	\$ 180,095.00	\$ 63,753.69	\$ 64,563.90	\$ 67,248.14	\$ 68,102.76	\$ 69,968.23	\$ 69,844.70	\$ 70,732.31	\$ 109,168.70
	Loan payments		\$ 8,389,680.72									\$ 2,506,720.00
	Loan balance			\$ 2,479,998.00	\$ 2,543,751.69	\$ 2,821,315.68	\$ 2,868,583.73	\$ 2,956,696.49	\$ 3,026,634.72	\$ 3,085,479.42	\$ 3,146,211.73	\$ 3,167,829.13
	Funds available from Lot Sales											\$ 2,506,720.00
	Payment from Bonds											

Sum of Interest \$ 190,095.00 \$ 253,848.69 \$ 318,412.59 \$ 385,860.73 \$ 453,763.49 \$ 522,731.72 \$ 592,576.42 \$ 663,308.73 \$ 772,477.43 \$ 881,848.13

## Construction Section 3 Starts

1715254.515  
3427943.89  
1253473.475  
1078736.557  
1235886.53  
2647580.05

## CASE BUDGET

Lone Wolf

## PROJECT 133 Lone Wolf

10/14/23

No.	DESCRIPTION	AMOUNT					
			Initial Funding & Disbursements	Dec-23	January	Construction Start Section 1 February	QTR Ending Mar-24
	FUNDING SOURCE						
	DIP Facility Funding Request	\$ 9,900,000.00					
	DIP Draws		\$ 4,982,273.00		\$ 705,000.00		
	Balance Available		\$ 4,917,727.00	\$ 4,917,727.00	\$ 4,212,727.00	\$ 4,212,727.00	\$ 4,212,727.00
	District Bond Issue	\$ 8,782,374.00				\$ 4,828,850.00	
	Disbursement	\$ 8,782,374.00				\$ 4,828,850.00	
	Balance Available	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	RECEIPTS						
	DIP Funding	\$ 8,048,273.00	\$ 4,982,273.00	\$ -	\$ 705,000.00	\$ -	\$ -
	Builder	\$ 13,994,076.38				\$ 400,000.00	
	WTP Lease Funds	\$ 5,169,926.69					\$ 819,150.78
	District Funding	\$ 7,789,374.00				\$ 4,828,850.00	
	Total Receipts	\$ 35,001,650.07	\$ 4,982,273.00	\$ -	\$ 705,000.00	\$ 5,228,850.00	\$ 819,150.78
	DIP Funding to Receipts Ratio	37%					
	SALES & REVENUE						
	60x120' 14	\$ 69,000.00					
	\$/Lot 50X120 43	\$ 57,500.00					
	\$/Lot 24						
	40X120' 18	\$ 80					
	#Lots 83	\$ 46,000.00					
	#Lots 5	92					
	Water view 50X120' 162	\$ 75,000.00					
	40						
	Waterfront 50X120' 13	\$ 160,000.00					
	Total Sales	\$ 14,387,255.49				\$ -	
	Closing Costs	\$ (793,179.11)					
	Net sales	\$ 13,594,076.38					
	Total Lots Sold 225						
	Land sale-District	\$ 1,050,000.00				\$ -	
	SALES & REVENUE	\$ 14,644,076.38	\$ -	\$ -	\$ -	\$ -	\$ -
	AGGREGATE RECEIPTS	\$ 35,001,650.07	\$ 4,982,273.00	\$ 4,982,273.00	\$ 5,687,273.00	\$ 10,916,123.00	\$ 11,735,273.78
	DISBURSEMENTS						
	Hard Costs						
	Section 1 Lots 140	\$ 7,710,000.00					\$ 1,542,000.00
	Waterfront 53	\$ 2,173,000.00					
	Section 2 32	\$ 1,312,000.00					
	226						
	WTP & Lift Station	\$ 1,442,971.63					\$ 288,594.33
	Entry Monument	\$ 100,000.00					
	Landscaping and park	\$ 450,000.00					
	Contingency 10%	\$ 1,318,797.16			\$ -	\$ -	\$ 183,059.43
	Draw & Review Fees						
	Engineering	\$ 2,200,000.00		\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
	Total Development Hard Costs	\$ 16,708,768.79	\$ -	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 2,133,653.76
	Cumulative hard cost		\$ -	\$ 120,000.00	\$ 240,000.00	\$ 360,000.00	\$ 2,493,653.76
	Operations						
	Development Fee	\$ 405,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance	\$ 10,000.00		\$ 5,000.00			
	Rear Estate Taxes	\$ 90,000.00					
	Roll Back Taxes	\$ 160,000.00					
	Quarterly Disbursement fees	\$ -					
	Legal Fees	\$ 17,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency	\$ 95,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	Operations Total	\$ 777,000.00	\$ -	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00
	Difference from Funding and Costs		\$ 141,000.00	\$ -	\$ 564,000.00	\$ 5,651,850.00	\$ 4,316,347.03
	Pre-Petition Obligations						
	Prepetition Loan Payoff - 1st Mortgage	\$ 3,793,218.00	\$ 3,793,218.00				
	Accounts Payable	\$ 907,077.00	\$ 907,077.00				
	Legal Fees and closing cost	\$ 140,978.00	\$ 140,978.00				
	SubTotal	\$ 4,841,273.00	\$ 4,841,273.00			\$ -	
	Loan Principal Payment	\$ 8,048,273.00					
	Loan interest Payment	\$ 1,334,939.29					
	Total Loan Payment	\$ 9,383,212.29	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Disbursements	\$ 31,708,254.08	\$ 4,841,273.00	\$ 141,000.00	\$ 141,000.00	\$ 141,000.00	\$ 2,154,653.76
	Aggregate Disbursements		\$ 4,841,273.00	\$ 4,982,273.00	\$ 5,123,273.00	\$ 5,264,273.00	\$ 7,418,926.76
	NET CASH FLOW BEFORE FINANCING ACTIVITIES & CASH FLOW AVAILABLE	\$ 3,293,395.99	\$ 141,000.00	\$ -	\$ 564,000.00	\$ 5,651,850.00	\$ 4,316,347.03
	DIP Draw		\$ 3,459,220.00	\$ 145,000.00	\$ 145,000.00	\$ -	\$ -
	CASH ACCOUNT		\$ 10,000.00	\$ 145,000.00	\$ 709,000.00	\$ 5,651,850.00	\$ 4,316,347.03
	CASH FLOW FROM FINANCING ACTIVITIES:						
1	Builder deposit						
	Bank Loan Principal	\$ 9,900,000.00	\$ 4,982,273.00	\$ 4,982,273.00	\$ 5,687,273.00	\$ 5,687,273.00	\$ 5,687,273.00
	Bank Interest Accrued	\$ 1,334,939.29	\$ 180,750.00	\$ 65,613.42	\$ 66,447.25	\$ 76,251.06	\$ 77,220.09
	Loan payments	\$ 9,383,212.29					
	Loan balance		\$ 5,163,023.00	\$ 5,228,636.42	\$ 6,000,083.67	\$ 6,076,334.74	\$ 6,153,554.82
	Funds available from Lot Sales						
	Payment from Bonds						

[illegible]





Payoff August	September	October	24th Month November	QTR Ending December	2026 January	February	
							\$ 8,048,273.00
							\$ -
							\$ 8,782,374.00
							\$ 8,782,374.00
							\$ 8,048,273.00
1,232,813.26	\$ -	\$ -	\$ 1,620,894.67	\$ -	\$ -	\$ -	\$ 13,994,076.38
64,219.78							\$ 5,169,926.69
							\$ 7,789,374.00
\$ 1,297,033.04	\$ -	\$ -	\$ 1,620,894.67	\$ -	\$ -	\$ -	\$ 35,001,650.07
61,028.40			61,943.83			61,943.83	\$ -
12			12				\$ 80
48,822.12			49,555.06			49,555.06	\$ 92
12			4				\$ 0
			77,266.88				\$ 40
			10				\$ 14
1,318,213.53			1,714,214.97				\$ 14,387,255.49
(85,400.27)			(93,320.30)				\$ (793,179.11)
1,232,813.26			1,620,894.67				\$ 13,594,076.38
180			206			206	\$ -
\$ 1,050,000.00							\$ 1,050,000.00
\$ 2,282,813.26			\$ 1,620,894.67	\$ -	\$ -	\$ -	\$ 14,644,076.38
\$ 33,380,755.40	\$ 33,380,755.40	\$ 33,380,755.40	\$ 35,001,650.07	\$ 35,001,650.07	\$ 35,001,650.07	\$ 35,001,650.07	\$ 35,001,650.07
							\$ -
							\$ -
							\$ 7,710,000.00
							\$ 2,173,000.00
							\$ 1,312,000.00
							\$ -
							\$ 1,442,971.63
							\$ 100,000.00
							\$ 450,000.00
							\$ 1,318,797.16
							\$ 2,200,000.00
							\$ 16,711,668.79
\$ 16,711,668.79	\$ 16,711,668.79	\$ 16,711,668.79	\$ 16,711,668.79	\$ 16,711,668.79	\$ 16,711,668.79	\$ 16,711,668.79	\$ -
\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 405,000.00
							\$ 10,000.00
							\$ 90,000.00
							\$ 160,000.00
							\$ -
							\$ 17,000.00
							\$ 95,000.00
\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 777,000.00
\$ 1,757,601.32	\$ 1,742,601.32	\$ 1,727,601.32	\$ 3,333,495.99	\$ 3,318,495.99	\$ 3,303,495.99	\$ 3,288,495.99	\$ 3,288,495.99
							\$ 3,793,218.00
							\$ 907,077.00
							\$ 140,978.00
							\$ -
							\$ 4,841,273.00
							\$ 8,048,273.00
							\$ 1,334,939.29
							\$ 9,383,212.29
\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 31,713,154.08
\$ 31,623,154.08	\$ 31,638,154.08	\$ 31,653,154.08	\$ 31,668,154.08	\$ 31,683,154.08	\$ 31,698,154.08	\$ 31,713,154.08	\$ -
							\$ -
\$ 1,757,601.32	\$ 1,742,601.32	\$ 1,727,601.32	\$ 3,333,495.99	\$ 3,318,495.99	\$ 3,303,495.99	\$ 3,288,495.99	\$ 3,288,495.99
							\$ -
\$ 1,757,601.32	\$ 1,742,601.32	\$ 1,727,601.32	\$ 3,333,495.99	\$ 3,318,495.99	\$ 3,303,495.99	\$ 3,288,495.99	\$ -
							\$ -
(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	\$ 1,334,939.29
							\$ 9,383,212.29
1,232,813.26			1,620,894.67				\$ 13,594,076.38
							\$ -

CASE BUDGET Tennessee Township

PROJECT Tennessee Township  
12/2/23Construction  
Setion 1 Starts

No.	DESCRIPTION	AMOUNT	Initial Funding & Disbursements	Dec-23	2024 January	February	QTR Ending March	April	May	QTR Ending June	July
<b>FUNDING SOURCE</b>											
	DIP Facility Funding Request	\$ 10,434,000.00									
	DIP Draws	\$ 5,176,560.00	\$ 5,176,560.00		\$ 430,000.00						
	Balance Available	\$ 5,257,440.00	\$ 5,257,440.00		\$ 4,827,440.00	\$ 4,827,440.00	\$ 4,827,440.00	\$ 4,827,440.00	\$ 4,827,440.00	\$ 4,827,440.00	\$ 4,827,440.00
	District Bond Issue	\$ 10,847,472.00									
	Disbursement	\$ 10,847,472.00						\$ 6,197,230.00			
	Balance Available	\$ -	\$ -					\$ 6,197,230.00			
<b>RECEIPTS</b>											
	DIP Funding	\$ 8,206,560.00	\$ 5,176,560.00		\$ 430,000.00						
	Builder	\$ 15,928,763.00									
	WTP & WWTP Lease	\$ 7,735,586.30								\$ 424,571.74	\$ 1,174,571.74
	District Funding	\$ 12,615,472.00						\$ 6,197,230.00			
	Total Receipts	\$ 44,486,381.30	\$ 5,176,560.00	\$ -	\$ 430,000.00	\$ -	\$ -	\$ 6,197,230.00	\$ -	\$ 424,571.74	\$ 1,174,571.74
	Aggregate funding	\$ 5,176,560.00	\$ 5,176,560.00	\$ 5,176,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 11,803,790.00	\$ 11,803,790.00	\$ 12,228,361.74	\$ 13,402,933.47
	DIP Funding to Receipts Ratio	29%									
<b>SALES &amp; REVENUE</b>											
	Section 1 60x120 8	\$ 78,000.00									
	Section 2	13									
	Section 3	5									
	Section 1 50X120 82	\$ 65,000.00									
	Section 2	51									
	Section 3	98									
	Section 1 40X120 82	\$ 32,000.00									
	Section 2	99									
	Section 3	107									
	Closing Costs	\$ (1,915,214.17)									
	Net sales	\$ 31,230,214.17									
	Total Lots Sold	502									
	Land sale-District	\$ 2,132,169.30									
	SALES & REVENUE	\$ 33,362,383.47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	AGGREGATE RECEIPTS	\$ 44,486,381.30	\$ 5,176,560.00	\$ 5,176,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 11,803,790.00	\$ 11,803,790.00	\$ 12,228,361.74	\$ 13,402,933.47
<b>DISBURSEMENTS</b>											
	<b>Hard Costs</b>										
	Section 1 Lots 152	\$ 8,639,883.73						\$ 1,022,799.33	\$ 1,022,799.33	\$ 2,137,096.48	\$ 1,114,297.15
	Section 2 Lots 150	\$ 5,117,369.57									
	Section 3 Lots 200	\$ 1,417,057.90									
	WTP & WWTP	\$ 3,000,000.00									\$ 750,000.00
	Entry Monument	\$ 100,000.00									
	Landscaping and park	\$ 450,000.00									
	Contingency 10%	\$ 1,517,431.12						\$ 102,279.93	\$ 102,279.93	\$ 213,709.65	\$ 186,429.72
	Draw & Review Fees	\$ 2,000,000.00									
	Engineering	\$ 2,000,000.00			\$ 101,240.00	\$ 138,010.00	\$ 90,976.67	\$ 49,566.67	\$ 52,326.67	\$ 49,260.00	\$ 49,260.00
	Total Development Hard Costs	\$ 22,241,742.32	\$ -	\$ -	\$ 101,240.00	\$ 138,010.00	\$ 90,976.67	\$ 1,174,645.93	\$ 1,177,405.93	\$ 2,400,066.12	\$ 2,093,886.87
	Cumulative hard cost	\$ -	\$ -	\$ -	\$ 101,240.00	\$ 239,250.00	\$ 330,226.67	\$ 1,594,972.58	\$ 2,682,278.52	\$ 5,082,344.64	\$ 7,182,331.51
	<b>Operations</b>										
	Development Fee	\$ 510,000.00		\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
	Insurance	\$ 10,000.00		\$ 5,000.00							
	Real Estate Taxes	\$ 90,000.00									
	Roll Back Taxes	\$ 230,000.00									
	Quarterly Disbursement Fees	\$ -									
	Legal Fees	\$ 17,000.00		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Contingency	\$ 170,000.00		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	SubTotal	\$ 1,027,000.00	\$ -	\$ 26,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00
	Difference from Funding and Costs		\$ 76,000.00	\$ 50,000.00	\$ 357,760.00	\$ 198,750.00	\$ 86,773.33	\$ 5,088,357.41	\$ 3,889,951.48	\$ 1,893,457.09	\$ 947,041.96
	<b>Pre-Petition Obligations</b>										
	Prepetition Loan Payoff - 1st Mortgage	\$ 4,500,000.00	\$ 4,500,000.00								
	Accounts Payable	\$ 452,000.00	\$ 452,000.00								
	Legal Fees and closing cost	\$ 148,560.00	\$ 148,560.00								
	SubTotal	\$ 5,100,560.00	\$ 5,100,560.00								
	Loan Principal Payment	\$ 8,206,560.00									
	Loan Interest Payment	\$ 1,925,603.72									
	Total Payment	\$ 10,132,163.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Disbursements	\$ 38,501,466.04	\$ 5,100,560.00	\$ 26,000.00	\$ 122,240.00	\$ 159,010.00	\$ 111,976.67	\$ 1,195,645.93	\$ 1,198,405.93	\$ 2,421,066.12	\$ 2,120,986.87
	Aggregate Disbursements	\$ 5,100,560.00	\$ 5,126,560.00	\$ 5,248,800.00	\$ 5,407,810.00	\$ 5,519,786.67	\$ 6,715,432.59	\$ 7,913,838.52	\$ 10,334,904.64	\$ 12,455,891.51	
	<b>NET CASH FLOW BEFORE FINANCING ACTIVITIES &amp; CASH FLOW AVAILABLE</b>	\$ 5,984,915.26	\$ 76,000.00	\$ 50,000.00	\$ 357,760.00	\$ 198,750.00	\$ 86,773.33	\$ 5,088,357.41	\$ 3,889,951.48	\$ 1,893,457.09	\$ 947,041.96
	DIP Draw		\$ 2,213,903.00	\$ -	\$ 430,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	CASH ACCOUNT		\$ 76,000.00	\$ 50,000.00	\$ 357,760.00	\$ 198,750.00	\$ 86,773.33	\$ 5,088,357.41	\$ 3,889,951.48	\$ 1,893,457.09	\$ 947,041.96
	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>										
	Builder deposit										
	Bank Loan Principle	\$ 10,434,000.00	\$ 5,176,560.00	\$ 5,176,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00	\$ 5,606,560.00
	Bank Interest Accrued	\$ 1,925,603.72	\$ 190,095.00	\$ 89,011.94	\$ 90,143.13	\$ 95,051.20	\$ 96,259.15	\$ 97,482.44	\$ 98,721.28	\$ 99,975.86	\$ 101,246.39
	Loan payments	\$ 10,132,163.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Loan balance	\$ 5,366,655.00	\$ 5,455,666.94	\$ 5,975,810.07	\$ 6,070,861.28	\$ 6,167,120.42	\$ 6,264,602.86	\$ 6,363,324.14	\$ 6,463,300.00	\$ 6,564,546.39	
	Funds available from Lot Sales										
	Payment from Bonds										

\$ 190,095.00 \$ 279,106.94 369,250.07 \$ 464,301.28 \$ 560,560.42 \$ 658,042.86 \$ 756,764.14 \$ 856,740.00 \$ 957,986.39

Sum of Interest

[illegible]

[illegible]



# Exhibit 3

## Based upon Debtors' Schedules with adjustments for Post-Petition Changes to Date

ESTIMATED AMOUNTS RELIAZABLE FROM LIQUIDATION OF ASSETS							100 Tennessee Township	Note
50 Crosby Pines		48 Highland Shores		53 Eagles Cove	171 Lone Stag	80 Crosby Terrace	133 Lone Wolf	
Cash								
\$ 86.31		\$ 119.77	\$ 135.92	\$ 100.64		\$ 3,037.34	\$ 9.82	\$ 19.85
Per monthly operating reports for month ended 11/30/2023								
Per Schedule A/B filed 12/31/2023								
Net Proceeds from Real Property Auction (see next page)		2,965,041.21	1,712,200.00	3,688,600.00		2,155,000.00	2,711,200.00	5,395,000.00
TOTAL ASSETS		\$ 2,965,127.52	\$ 1,712,335.92	\$ 3,688,700.64		\$ 2,158,037.34	\$ 2,711,209.82	\$ 5,395,019.85
RECOVERY OF FRAUDULENT TRANSFER, PREFERENCE, AND OTHER AVOIDANCE ACTIONS								
No known claims		-	-	-		-	-	-
ESTIMATED AMOUNT AVAILABLE FOR PAYMENT OF ALLOWED CLAIMS		\$ 2,965,127.52	\$ 1,712,335.92	\$ 3,688,700.64		\$ 2,158,037.34	\$ 2,711,209.82	\$ 5,395,019.85
ESTIMATED ADMINISTRATIVE EXPENSE CLAIMS								
Ch. 7 Trustee's fee allowed under 11 U.S.C. § 326		\$ 112,203.83	\$ 108,153.59	\$ 74,620.08	\$ 133,911.02	\$ 87,991.12	\$ 104,586.29	\$ 185,100.60
Estimated fees for Trustee's accountants and other professionals		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Quarterly fees under 28 U.S.C. § 1930 due by 1/31/2024		250.00	250.00	250.00	250.00	250.00	250.00	250.00
Total Administrative Expense Claims		\$ 117,453.83	\$ 113,403.59	\$ 79,870.08	\$ 139,161.02	\$ 93,241.12	\$ 109,836.29	\$ 190,350.60
Secured claims								
Ad Valorem Taxing Authorities		\$ 70,749.85	\$ 42,346.77	\$ 74,139.44	\$ 36,087.60	\$ 15,978.06	\$ 81,327.14	\$ 318,153.71
Secured Lenders		1,939,816.12	1,539,003.97	1,469,322.94	2,733,378.97	1,900,000.00	3,448,692.00	5,419,642.97
Home Builders		1,000,000.00	1,370,000.00	1,200,000.00	1,450,000.00	1,400,000.00	800,000.00	1,910,000.00
Total Secured Claims		\$ 3,010,565.97	\$ 2,951,350.74	\$ 2,743,462.38	\$ 4,219,466.57	\$ 3,315,978.06	\$ 4,330,019.14	\$ 7,647,796.68
Unpaid Secured Claims		\$ (162,892.28)	\$ (234,634.56)	\$ (1,110,996.54)	\$ (669,926.95)	\$ (1,251,181.84)	\$ (1,728,645.61)	\$ (2,443,127.43)
AMOUNT AVAILABLE FOR UNSECURED CREDITORS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	50 Crosby Pines	48 Highland Shores	53 Eagles Cove	171 Lone Stag	80 Crosby Terrace	133 Lone Wolf	100 Tennessee Township	Note
<b>Unsecured Claims</b>								
Priority Claims (11 U.S.C. §§ 507(a)(3)–507(a)(10))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	d
General Unsecured Claims	149,372.46	415.50	32,556.35	40,767.41	104,622.36	634,165.06	354,828.78	e
Insider Claims	139,880.00	-	-	43,511.26	138,750.00	412,563.91	913,180.56	f
<b>Total Unsecured Claims</b>	<u>\$ 289,252.46</u>	<u>\$ 415.50</u>	<u>\$ 32,556.35</u>	<u>\$ 84,278.67</u>	<u>\$ 243,372.36</u>	<u>\$ 1,046,728.97</u>	<u>\$ 1,268,009.34</u>	

Percent Distribution to Unsecured Creditors

0%0%0%0%0%0%0%**Calculation of Net Proceeds from Real Property Auction**

Broker's Estimated Value of Real Property	\$ 5,500,076.31	\$ 5,250,000.00	\$ 3,180,000.00	\$ 6,840,000.00	\$ 4,000,000.00	\$ 5,030,000.00	\$ 10,000,000.00	g
Estimated Auction Sales Price (60% broker's estimate)	\$ 3,300,045.79	\$ 3,150,000.00	\$ 1,908,000.00	\$ 4,104,000.00	\$ 2,400,000.00	\$ 3,018,000.00	\$ 6,000,000.00	h
less: Estimated Auction Costs	330,004.58	315,000.00	190,800.00	410,400.00	240,000.00	301,800.00	600,000.00	
less: Pre-Auction Marketing Expenses	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	
<b>Net Proceeds from Real Property Auction</b>	<u>\$ 2,965,041.21</u>	<u>\$ 2,830,000.00</u>	<u>\$ 1,712,200.00</u>	<u>\$ 3,688,600.00</u>	<u>\$ 2,155,000.00</u>	<u>\$ 2,711,200.00</u>	<u>\$ 5,395,000.00</u>	

**Notes:**

- See Disclosure Statement and Plan, § 3.2.3
- See Disclosure statement and Plan, § 3.3.2
- See Disclosure Statement and Plan, § 3.3.3
- See Disclosure Statement and Plan, § 3.3.4
- See Disclosure Statement and Plan, § 3.3.5
- See Disclosure Statement and Plan, § 3.3.6
- See Schedules A/B

h. Auction proceeds will be limited because any auction is likely to have to be held 30–60 days after the conversion of the case in order to avoid secured creditors seeking relief from the automatic stay to foreclose on the property under state law



# Exhibit 4



November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 215-unit residential development known as Crosby Pines, located at 0 FM 2100 Road, Crosby, TX 77532**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$2,535,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$19,080,000**

Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.


Your attention is invited to the following data and analyses which, in part, form the basis of our conclusions.

Respectfully submitted,

**THE AMBROSE GROUP**



**Brian A. Burk, MAI, SRA, AI-GRS**  
**State Certified General RE Appraiser**  
**Certificate No. TX-1334810-G**  
[bburk@theambrosegroup.com](mailto:bburk@theambrosegroup.com)



**Clayton L. Morgan, MAI**  
**State Certified General RE Appraiser**  
**Certificate No. TX-1380139-G**  
[cmorgan@theambrosegroup.com](mailto:cmorgan@theambrosegroup.com)



November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 193-unit residential development known as Highland Shores, located along the south line of Highland Shores Drive, west of North Main Street, Highlands, TX 77562**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$2,105,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$18,280,000**

Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.

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The **Ambrose** Group  
Valuation Services



November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 231-unit residential development known as Eagles Cove, located at 9325 Haney Road, Highlands, TX 77562**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$2,000,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$19,650,000**

Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.

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The **Ambrose** Group  
Valuation Services



November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 754-unit residential development known as Lone Stag, located at 0 Morgan Cemetery Road, Cleveland, TX 77328**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$3,535,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$45,600,000**



Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.

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Respectfully submitted,

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November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 370-unit residential development known as Crosby Terrace, located at 21025 FM 2100 Road, Crosby, TX 77532**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$3,125,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$30,490,000**

Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.


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November 28, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 492-unit residential development known as Lone Wolf, located at 0 FM 2100 Road, Huffman, TX 77532**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 6, 2023)**

**\$5,030,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$38,710,000**

Legalist Inc.  
November 28, 2023  
Page 3


The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.

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The **Ambrose** Group  
Valuation Services



December 5, 2023

Mr. Remy Cipriano  
Legalist Inc.  
2651 Pearland Parkway  
Pearland, TX 77581

**RE: An Appraisal Report of a proposed 503-unit residential development known as Tennessee Township, located at 21745 FM 2920 Road, Hockley, TX 77447**

Mr. Cipriano:

At your request, we have prepared the attached appraisal of the above referenced property. The subject property is more specifically described in the accompanying report.

The purpose of this appraisal is to provide an opinion as to the *as is market value and the prospective market value upon completion* (single purchaser) of the subject. All of the necessary data was gathered and analyzed in order to arrive at a value conclusion.

Based upon our research and analysis of the market, which is provided in the accompanying report, the indicated market values of the subject property are as follows:

**As Is Market Value - Fee Simple (November 5, 2023)**

**\$6,230,000**

**Prospective Market Value Upon Completion (To a Single Purchaser) - Fee Simple (May 6, 2024)**

**\$40,620,000**

Legalist Inc.  
December 5, 2023  
Page 3

The proposed improvements are expected to be completed within 6 months. Based upon existing marketing conditions, we believe the subject property has a marketing time and exposure period of 12 months.

This opinion of value is subject to the Assumptions and Limiting Conditions which are included in the attached report. To the best of our understanding, this report conforms to the requirements of Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Appraisal Institute.


Your attention is invited to the following data and analyses which, in part, form the basis of our conclusions.

Respectfully submitted,

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